

CALIFORNIA MEDICAL ASSOCIATION

This department contains official notices, reports of county society proceedings and other information having to do with the State Association and its component county societies. The copy for the department is submitted by the State Association Secretary, to whom communications for this department should be sent. Rosters of State Association officers and committees and of component county societies and affiliated organizations, are printed in the front advertising section on pages 2, 4 and 6.

CALIFORNIA MEDICAL ASSOCIATION†

LOWELL S. GOIN, M. D. President
 PHILIP K. GILMAN, M. D. President-Elect
 E. VINCENT ASKEY, M. D. Speaker
 PHILIP K. GILMAN, M. D. Council Chairman
 JOHN W. CLINE, M. D. Chairman, Executive Committee
 GEORGE H. KRESS, M. D. Secretary-Treasurer and Editor
 JOHN HUNTON. Executive Secretary

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 L. G. Hunnicutt, Pasadena
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 John E. Kirkpatrick, San Francisco

Plastic Surgery:

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 George W. Pierce, San Francisco

Neuropsychiatry:

Olga Bridgman, San Francisco
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Urology:

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 Albert J. Scholl, Los Angeles

Pharmacology:

W. C. Cutting, Menlo Park
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OFFICIAL NOTICES

COUNCIL OF THE CALIFORNIA MEDICAL ASSOCIATION

Minutes of the Three Hundred Twenty-second (322nd) Meeting of the Council of the California Medical Association*

The meeting was called to order in the Patio Room of the Elks Temple at 607 South Park View in Los Angeles on Thursday, January 4, 1945, at 10:00 A.M. The 322nd meeting recessed on January 4th and January 5th, its final recessed meeting being held on January 6th.

1. Roll Call:

Present: Councilors John W. Cline, Vice-Chairman, presiding; Lowell S. Goin, E. Vincent Askey, E. Earl Moody, Edwin L. Bruck, Dewey R. Powell, Sam J. McClendon, Edward B. Dewey, Sidney J. Shipman, Herbert A. Johnston, Donald Cass, Harry E. Henderson, Axcel E. Anderson, R. Stanley Kneeshaw, Lloyd E. Kindall, Frank A. MacDonald, John W. Green, and George H. Kress, Secretary.

Absent: Councilors Philip K. Gilman (absence due to illness), and Karl L. Schaupp.

Present by Invitation: L. A. Alesen, Vice-Speaker; Dwight H. Murray, Chairman, Committee on Public Policy and Legislation; John Hunton, Executive Secretary; Hartley F. Peart, Legal Counsel; and Howard Hassard, Associate Legal Counsel.

Others Present: Mr. Albee Slade, Legislative Director of the Los Angeles C.I.O. Council; Mr. Mervyn Rathbourne, Secretary-Treasurer of the State Council of the C.I.O.; Mr. E. D. Boyd, Chairman, Employment Committee, A. F. of L.; and Mr. E. W. Bartholomew, Chairman, Accident Prevention, Central Labor Council of Los Angeles (A. F. of L.); and Mr. Von T. Ellsworth of the California Farm Bureau.

2. Addresses by Representatives of Labor and Agriculture Regarding Legislation to be Submitted by Them to the 56th California Legislature:

The Council was addressed by Mr. Albee Slade and Mr. Mervyn Rathbourne, representatives of the California Committee of Industrial Organization (C.I.O.), who explained the objectives their organization had in mind in a bill which they stated they would submit to the California Legislature. (Their bill was later submitted as A.B. 449).

Mr. E. D. Boyd and Mr. E. W. Bartholomew of the American Federation of Labor (A.F. of L.), were requested to give their views. They stated the A. F. of L. had prepared no bill, but they were equally interested in safeguarding members of their organization and other citizens from the dangers associated with catastrophic illness.

(CALIFORNIA AND WESTERN MEDICINE in its issue of January, 1945, on page 32, under the caption, "Health Insurance on Way, Union Leaders Tell Doctors," printed an item in which additional information is given concerning the general tenor of the remarks made by them and other speakers. On page 40 of the same issue appeared

† For complete roster of officers, see advertising pages 2, 4, and 6.

* Reports referred to in minutes are on file in the headquarters office of the Association. Minutes as here printed have been abstracted.

another item concerning this matter. In the February issue of CALIFORNIA AND WESTERN MEDICINE additional information was given concerning A.B. 449.)

A general discussion followed in which Councilors asked many questions of the representatives of Labor.

Because the House of Delegates was about to begin its session, it was voted to recess the meeting of the Council until the following day at 9:00 A.M., at which time representatives of Labor would be requested to address the House.

3. Recessed Meeting of Friday Morning, January 5, 1945:

On Friday morning, January 5th, the Council met in the Patio Room of the Elks Temple and again listened to further discussion of plans proposed by the representatives of Labor.

At 10 o'clock the Council left the Patio Room to continue its meeting in the Lodge Room, in order to permit all members of the California Medical Association who wished to hear the representatives of Labor and Agriculture (A. F. of L., C.I.O., and California Farm Bureau), these speakers having been invited to then address the Council, with members of the House of Delegates and of the C.M.A. in attendance. This action was necessary because unanimous consent (a parliamentary rule of the House) to have these non-members of the House (in this instance, the representatives of Labor) address the House of Delegates had not been secured, one member of the House objecting thereto. The Council, giving due notice of its intention, used the means of an open Council meeting, in order to permit full presentation by the representatives of Labor and Agriculture, to all who were in attendance at the Special Session.

At the meeting then held, in addition to explanatory talks by Mr. Albee Slade and Mr. Mervyn Rathbourne of the C.I.O., and Mr. E. D. Boyd and Mr. E. W. Bartholomew of the A.F. of L., Mr. Von T. Ellsworth of the California Farm Bureau made an address.

Mr. Ellsworth's remarks referred particularly to measures related to county hospitals and health centers. (California Farm Bureau bills presented to the Legislature are Senate Bills 218 and 219. These receive further comment in items which appear in the February issue of CALIFORNIA AND WESTERN MEDICINE, on pages 90-91.)

State Director of Public Health, Wilton L. Halverson, M.D., was called on for remarks.

At the close of the comments by the above representatives, the Council recessed until Saturday morning, January 6, 1945.

4. Recessed Meeting of Saturday Morning, January 6, 1945:

The meeting was called to order on Saturday morning at 7:45 in Parlor A at the Elks Temple, John W. Cline, Vice-Chairman, presiding.

5. Minutes:

The following minutes of meeting were submitted and actions taken approved:

(a) Council meeting (320th) held in San Francisco, August 6, 1944. (Printed in CALIFORNIA AND WESTERN MEDICINE for September, page 151.)

(b) Council meeting (321st) held in San Francisco, December 13, 1944. (Printed in CALIFORNIA AND WESTERN MEDICINE for January, page 26.)

(c) Executive Committee meeting (184th) held in San Francisco, August 25, 1944. (Printed in CALIFORNIA AND WESTERN MEDICINE for September, page 154.)

(d) Executive Committee meeting (185th) held in San Francisco, October 9, 1944. (Printed in CALIFORNIA AND WESTERN MEDICINE for December, page 301.)

(e) Executive Committee meeting (186th) held in San Francisco, November 2, 1944. (Printed in CALIFORNIA AND WESTERN MEDICINE for December, page 302.)

(f) Executive Committee meeting (187th) held in San Francisco, December 12, 1944. (Printed in CALIFORNIA AND WESTERN MEDICINE for January, page 25.)

6. Membership:

(a) A report of the membership, as of December 31st, 1944, was submitted and placed on file. The membership roster showed distribution as follows:

Total members (civilian and military) listed for year 1944: 7,627.

Total members in military service: 2,166.

(b) Upon motion made and seconded, it was voted to reinstate 30 members of the year 1943, whose membership, because of non-payment of dues had automatically lapsed on April 1, 1944; but whose dues had been paid since the Council meeting held on August 6, 1944.

(c) Upon motion made and seconded, Retired Membership was granted to the following members, whose applications had been received in accredited form from their county societies:

Harry L. Carpenter, Contra Costa County.
John H. Gray, Monterey County.
J. A. King, Ventura County,
Edward C. Sewall, Santa Clara County.

7. Financial:

(a) A cash report as of December 31, 1944, was submitted.

(b) Report was made concerning income and expenditures for December and for twelve months, ended December 31, 1944.

(c) A balance sheet, as of December 31, 1944, was submitted.

Upon motion made and seconded, the above reports were received and placed on file.

8. Interim Appointments:

Report was made of tentative appointments made since the Council meeting held on August 6, 1944. Upon motion made and seconded, it was voted that the appointments, which follow, be confirmed:

(a) Dr. R. Stanley Kneeshaw to C.M.A. Liaison Committee of Three, vice Dr. T. Henshaw Kelly, resigned.

(b) Dr. Dwight H. Murray, Dr. George H. Kress, and Mr. John Hunton as a California Committee to cooperate with A.M.A. Council on Medical Service and Public Relations, Dr. J. S. Lawrence, Director.

(c) Dr. C. Kelly Canelo to C.M.A. Committee on Medical Defense, vice Dr. R. Stanley Kneeshaw, resigned, term ending in 1945.

(d) Dr. Louis J. Regan to C.M.A. Committee on Medical Defense, vice Dr. Lewis T. Bullock, resigned, term ending in 1946.

(e) Additional members to "Professional Advisory Committee" of California Bureau of Vocational Rehabilitation: Pervical Dolman, San Francisco (Ophthalmology); Charles L. Ianne, Stanford University (Tuberculosis); H. V. Chamberlain, Sacramento (Psychiatry); LeRoy C. Abbott, San Francisco (Orthopedics).

9. "Liaison Committee of Six" on Medical and Hospitalization Service Plan in California:

For the Liaison Committee of Six, consisting of three members of the California Medical Association and three members of the Association of California Hospitals, Dr. John W. Cline reported that no further meetings had been held in view of proposed legislation and other matters related to medical care which had come to the front.

10. C.M.A. Allocation and Richmond Doctor Shortage:

The following report was submitted by Executive Secretary John Hunton:

Operations of the California Physicians' Service medi-

cal center at Richmond resulted in a loss of \$3,620 for the first three months, ending August 31, 1944. A small profit was realized during August, September and October, reducing the six-months' loss to \$2,827. In November and December, difficulties were encountered in maintaining competent physicians at the center, with further losses shown for those months bringing the net operating loss at the end of December, 1944, to \$3,620. More adequate staff arrangements are now in effect and it is estimated that the center will again reach a self-sustaining basis early in 1945. The original C.M.A. appropriation for this center was \$6,000.

11. California Industrial Accident Commission—Fee Schedule and Surcharge:

Legal Counsel Peart reported on the conferences that had been held with members of the State Compensation Fund and with insurance carriers in which Councilor Donald Cass of the C.M.A. Committee on Industrial Practice took part.

Mention was made that representatives of labor organizations were present at the conferences and were much interested in bringing into being the best quality of medical service for injured working men.

Prospective changes concerning the State Industrial Accident Commission and the State Compensation Fund also received comment.

Reference was also made to the fact that, under recent set-ups, a very limited number of physicians seemed to control or supervise at least 50 per cent of industrial accident work.

12. Annual Session:

(a) Concerning the Annual Session which had been scheduled to be held in Los Angeles on Sunday-Monday, May 6-7, 1945, it was agreed that if conditions permitted, President Lowell S. Goin should be authorized to invite one of the guest speakers, the other guest speaker to be invited by the C.M.A. Committee on Scientific Work.

(b) The Committee on Scientific Work submitted a request, suggesting that a secret committee of judges to pass upon the merit of papers presented, be appointed, in accordance with Resolution No. 1 adopted by the C.M.A. House of Delegates in 1944, as printed in *CALIFORNIA AND WESTERN MEDICINE*, for June, 1944, page 307.

The Chairman appointed a committee consisting of Councilors Edwin L. Bruck, Lloyd E. Kindall, and E. Vincent Askey to submit a report to the Council in regard to form of procedure to be followed.

13. "California and Western Medicine":

(a) Editor Kress called attention to the November and December, 1944, and January, 1945, issues of *CALIFORNIA AND WESTERN MEDICINE*, in which the smaller eight point type had been used for the Original Article Department, instead of the larger ten point. Since the number of pages in each issue is limited by the federal authorities, the Executive Committee of the Editorial Board suggested that the eight point type be continued because it would permit the printing of one or two additional scientific papers in each issue.

The Executive Committee of the Editorial Board was authorized to use its judgment in these matters.

(b) Secretary of the House of Delegates Kress asked whether the Council wished the full proceedings of the House of Delegates printed, and if so, as a supplement or as a separate monograph to be sent to each member of the California Medical Association.

After discussion, it was voted that the full proceedings should be printed as a separate monograph and a copy sent to members of the California Medical Association.

14. Malpractice Insurance:

Reports were submitted concerning the malpractice situation, and ordered placed on file.

15. California Physicians' Service:

Attention was called to the action of the C.M.A. Executive Committee (printed in C. & W. M. for June, 1944, page 328), concerning the desirability of the Trustees of California Physicians' Service appointing an over-all manager. After discussion, it was voted that a letter be sent to the Trustees of C.P.S., asking for a report on the present status of negotiations concerning this.

16. State Board of Medical Examiners:

Temporary licensure and other problems concerning licensure of physicians in California were discussed.

Councilor MacDonald spoke of recent conferences with the members of the State Board of Medical Examiners and portrayed some of the difficulties which handicap that Board in its important work. Dr. MacDonald stated the officers of the Board were in full accord with maintaining proper standards of licensure.

17. Auditing Committee Report on Budget:

It was voted to recess until luncheon. At the luncheon meeting, report was made by the Auditing Committee and the Executive Committee concerning the budget and the same was referred to the Council at a later date.

18. Time and Place of Next Meeting:

The time and place of the next meeting of the Council was left to the decision of the Council Chairman.

19. Adjournment:

Upon motion made and seconded, it was voted to adjourn.

JOHN W. CLINE, M.D., *Council Vice-Chairman,*
Presiding

GEORGE H. KRESS, M.D., *Secretary*

COUNTY SOCIETIES†

CHANGES IN MEMBERSHIP

New Members (45)

Butte-Glenn County (1)

Thompson, Prescott W., *Gridley*

Fresno County (3)

Anderson, Herbert W., *Iowa City, Iowa*

Knudsen, W. N., *Fresno*

Winter, Edna J., *Auberry*

Kern County (1)

Lewis, Leland S., *Bakersfield*

Kings County (2)

Johnson, Karl O., *Hanford*

Levenson, Daniel, *Hanford*

Los Angeles County (24)

Amos, Clarence W., *Long Beach*

Beeve, Edison DeLong, *Long Beach*

Behrend, Ralph Arthur, *Long Beach*

Breuer, Miles J., *Long Beach*

DeLalla, Edmund A., *Los Angeles*

Gramlich, Henry F., *Long Beach*

Hershey, Peter, *Huntington Park*

Holder, Richard M., *Pasadena*

Kimball, Nellie T., *Glendale*

Leix, Frederick, *Los Angeles*

Libowitz, Morris, *Duarte*

† For roster of officers of component county medical societies, see page 4 in front advertising section.

Margoles, Clara, *Los Angeles*
 Moore-Freshour, Ina, *Norwalk*
 Mustard, Flora M. Chambers, *Los Angeles*
 Peyton, Thomas R., *Los Angeles*
 Potampa, Philip Burnard, *Los Angeles*
 Prosterman, Frances, *Santa Monica*
 Rost, Paul Carl, *Los Angeles*
 Segal, Jacob, *Duarte*
 Stephens, John S., *Los Angeles*
 Stillman, Freeman Linn, *Los Angeles*
 Ver Halen, John J., *Pasadena*
 Weiner, Harry, *Los Angeles*
 Wright, William Henry, *Santa Monica*

Marin County (1)

Lewis, Ralph Charles, *Point Reyes*

Orange County (1)

Schroeder, Frederick H., *Orange*

San Bernardino County (1)

Graybill, Glen A., *Barstow*

San Diego County (2)

Brandon, Kathryn E., *San Diego*

Smith, A. B., *La Jolla*

San Francisco County (4)

Evans, Robert Sherman, *San Francisco*

Davison, Robert Albert, *San Francisco*

Rose, Carl T., *San Francisco*

Sperry, John A., *San Francisco*

San Joaquin County (3)

Feldkamp, I. M., *Stockton*

Krieger, Isaac Glen, *Stockton*

Wilson, H. K., *Tracy*

San Mateo County (1)

Ring, O. A., *San Francisco*

Santa Cruz County (1)

Murphy, Robert C., *Santa Cruz*

Associate Members (1)

Duvall, Charles W., *Santa Clara County*

Retired Members (13)

Bailly, Thomas E., *San Francisco County*
 Beatty, J. David, *Los Angeles County*
 Bliss, Guy L., *Los Angeles County*
 Carson, George R., *San Francisco County*
 Dameron, John Dysart, *San Joaquin County*
 Graham, H. B., *San Francisco County*
 Haber, William J., *San Francisco County*
 Kaelber, Arthur P., *San Francisco County*
 Kellogg, E. C., *Los Angeles County*
 McBurney, B. A., *Los Angeles County*
 Otis, Newton M., *Los Angeles County*
 Shields, Lillian, *Alameda County*
 Williamson, Norman E., *San Joaquin County*

Transfers (3)

Arthurs, Elizabeth, from *San Francisco County* to *San Mateo County*.

Powers, Harry J., from *Los Angeles County* to *Monterey County*.

Steelquist, John H., from *San Francisco County* to *San Diego County*.

Resignations (1)

Prentiss, Arthur D., *San Francisco County*

In Memoriam

Baiocchi, Adolph John. Died at San Jose, February 16, 1945, age 53. Graduate of Stanford University School of Medicine, Stanford University, San Francisco, 1919. Licensed in California in 1919. Doctor Baiocchi was a member of the Santa Clara County Medical Association, the California Medical Association, and a Fellow of the American Medical Association.



Brown, Dean Cassius. Died at Santa Ana, February 24, 1945, age 63. Graduate of the University of Illinois College of Medicine, Chicago, 1915. Licensed in California in 1924. Doctor Brown was a member of the Orange County Medical Association, the California Medical Association, and a Fellow of the American Medical Association.



Brown, George Ballantyne. Died at Oakland, March 1, 1945, age 53. Graduate of the College of Physicians and Surgeons of San Francisco, 1918. Licensed in California in 1918. Doctor Brown was a member of the Alameda County Medical Association, the California Medical Association, and a Fellow of the American Medical Association.



West, Jesse H. (Captain, United States Army). Died at Atlanta, Georgia, February 4, 1945, age 47. Graduate of the University of Oregon Medical School, Portland, 1926. Licensed in California in 1926. Doctor West was a member of the San Francisco County Medical Society, the California Medical Association, and a Fellow of the American Medical Association.

CALIFORNIA COMMITTEE ON PARTICIPATION OF THE MEDICAL PROFESSION IN THE WAR EFFORT

Convalescent Troops Follow Progress of War in Films

Convalescent troops are now able to follow the progress of the war by means of "Restricted Staff Film Reports" prepared by Army Pictorial Service of the Signal Corps, Army Service Forces, and distributed to all of the 60 general military hospitals in the continental United States, the War Department announced.

These photographic "reports" are official versions, not available to the public, of combat photography released after review by the Office of The Surgeon General of the Army.

The films are factual and objective, presenting surveys of military operations on all fronts, with explanatory remarks, but with no editorial comment of any kind. Every effort is made to keep them up to the minute. Individual films vary in length from 15 to 30 minutes, depending upon the amount of footage flown back each week from different war theaters and the importance of the pictures themselves.

By an extension of the plan bed-ridden soldiers on U. S. Army Hospital ships returning from the different war theaters to the United States also see combat films.

"Unborn Millions" of War

Europe's "unborn children of World War II" probably equal the total of battle casualties to date. When to their number are added the children dying in infancy from malnutrition and wartime disease, an even larger total is reached.

These infant deaths and the deaths of civilians suffering from malnutrition and disease are the greatest price Europe will pay for the present war.

Discussing the appalling effect of the war on the civilian populations of Europe, it has been pointed out that in many of the occupied countries of Europe peace will find a materially smaller population than existed before the war.

Statistics bearing out this view have been cabled to the *Journal of the American Medical Association*.

In France the birth rate of 1940 and 1941 was 10 per cent below the previous low birth rate. This meant that 120,000 children who might otherwise have been born in those two years were lost to the nation.

Reconditioning News Letter

A new publication *Reconditioning News Letter*, is now being distributed monthly by The Office of The Surgeon General to all ASF hospital commanders and service command surgeons. Its aim is to familiarize hospital personnel with new ideas, practices and procedures connected with the reconditioning program. Sources of the items published are reports made by inspecting officers from The Surgeon General's Office, chiefs of the reconditioning branches in service commands, medical officers and others.

New Hospital Car

On November 13, the first of a new type hospital car for use in the United States was opened for inspection in Washington, D. C.

These new unit-type cars are not converted pullmans, but are designed and built as hospital cars. They are ten feet longer, are air-conditioned, accommodate 38 patients and attendant personnel. Each includes two rows of triple-tiered beds, two compartments with three beds each, a stainless steel kitchen equipped with refrigeration, ice cream cabinet and coal range; a receiving room with four-foot side doors for loading and unloading litter patients; two roomettes, each with toilet and shower, for the medical staff or seriously ill patients; and a baggage compartment. The car also carries a modern pharmacy unit and sterilizing equipment and in case of emergency either the receiving room or one of the roomettes can be converted quickly into an operating room.

The Glenon-type, steel-frame beds are adjustable and unoccupied center bunks can be dropped to provide seating accommodations for ambulatory patients.

Six more of these cars are to be put in operation this month, 18 in December and 75 during January, February and March of next year—bringing the total to 100, in addition to the 120 converted hospital cars now in use.

Tuberculosis, syphilis, cancer, heart disease, and other killers of mankind show no signs whatsoever of adopting a forty-hour week; instead, there is every reason to believe that unless society continues to press its fight against them with undiminished vigor we may shortly see an upsurge in their incidence as we did during and following World War I.—E. E. Kleinschmidt, M.D., *Ohio St. Med. Jour.*, March, 1944.

Eleven Army Hospitals Centers for Specialized Care

Furthering the program for speedy and utmost medical treatment for Army personnel, 11 general hospitals in the Ninth Service Command have been named centers for specialized medical and surgical treatment, Maj. Gen. William E. Shedd, Commanding General of the Ninth Service Command, recently announced at his Fort Douglas, Utah, headquarters.

All patients needing specialized treatment will be transferred to these designated hospitals, where staffs of medical and surgical specialists have been provided for specific types of cases.

At Bushnell General Hospital, Brigham City, Utah, patients with major amputations are given complete reconstructive treatment, including the fitting of artificial limbs and training in their use.

A staff of plastic surgery specialists has been established at Dibble General Hospital, Menlo Park, Calif., where patients with deformities or other conditions resulting from wounds, burns, or other injuries will receive surgical reconstruction. Also at Dibble is the center for eye surgery and the training and rehabilitation of the blind.

Neurosurgery—the treatment of wounds or diseases of the brain, skull, spinal cord, or peripheral nerves—and neurology, which is the medical treatment of functional nerve disorders, are centered in the following general hospitals: Bushnell; DeWitt, at Auburn, Calif.; Hammond at Modesto, Calif.; and McCaw, at Walla Walla, Wash.

All patients with defective hearing are treated at Hoff General Hospital, Santa Barbara.

Patients with disease or injuries of the chest which require thoracic surgery or specialized care will be transferred to Baxter General Hospital at Spokane, Wash.

Surgery of the blood vessels, termed vascular surgery, is performed at DeWitt General Hospital.

Rheumatic fever patients receive care in the favorable climatic conditions of Torney General Hospital, Palm Springs, and Birmingham General Hospital, Van Nuys.

In addition to general medicine, other specialists of Ninth Service Command hospitals are: Deep X-ray therapy—Bushnell and Letterman General Hospital, San Francisco; radium therapy—Letterman; histopathologic—Hoff, Bushnell, and Barnes General Hospital, Vancouver, Wash.; psychiatry—Birmingham, Bushnell, DeWitt, Dibble and McCaw General Hospitals.

Praise for Army Medical Care

Letterman Head in Stanford Talk

Never before in history and in no other army during this war has professional medical care equaled that which the American soldier now receives.

So said Brig. Gen. C. C. Hillman, commanding general at Letterman General Hospital, speaking at the second of a series of popular medical lectures at the Stanford University school of medicine.

"Scientific medicine under the stimulus of war probably has progressed further during the last five years than it would have advanced in several decades of continued peace," declared General Hillman.

Low fatality rates are the result of careful planning, begun immediately after the First World War, he said.

"Medical, surgical, laboratory and x-ray equipment has been designed especially for field use," continued General Hillman. "Means hitherto unknown for the prevention of infectious diseases have been developed. Revolutionary procedures for the treatment of the sick and wounded have been put into use."

Accurate records show deaths from battle wounds in

field hospitals have declined three-fold compared with World War I, while the incidence of infectious diseases is far below the last war and mortality rates of such maladies as pneumonia and meningitis have been reduced materially, he said.

Medical Care for Discharged War Veterans Under Attack

Magazine Writer Charges Inefficiency, Neglect, Racketeering

Charges of inefficiency, neglect, racketeering and callousness in treatment of war veterans in United States Government hospitals were made in March in an article in *Cosmopolitan Magazine* by Albert Q. Maisel. The veterans' hospitals are not the Army and Navy hospitals which care for the wounded of this war prior to discharge from the service. These hospitals handle discharged veterans of all wars, whether wounded or sick.

The magazine, in its March issue, urged, "Let's clean up the veterans' hospitals," and offered what it called a "thoroughly documented exposé of the pitiful conditions under which our war veterans are dying in our Government hospitals."

"Only three out of five veterans complete hospitalization and win even the label of improved," Maisel declared. "The rest die or are discharged as 'unimproved,' or run away to enter other hospitals or to suffer and die quietly at home."

Maisel said that "despite astronomical sums spent for the treatment of these veterans, the Government hospitals are abysmally inefficient compared with State, county and city institutions, and that only one patient in six leaves our veterans' hospitals cured."

Dr. Charles M. Griffith, medical director of the Veterans' Administration, was quoted by Maisel as saying that in 1942, 1,120 veterans died in veterans' hospitals and 1,203 died outside.

"The fact that nearly 60 per cent of all the patients in the veterans' hospitals 'run away' has long been recognized as a sign that things are desperately wrong in these hospitals," declared Maisel.

"The root of the cancer," he said, "is the central office in Washington."

Declaring that statistics in the article were public figures released by the Veterans' Administration itself, Maisel said that "in many of the veterans' hospitals I have visited, the death rates are actually higher, the 'cure' rates far lower and conditions far, far worse than any cold statistics can ever indicate."

Military Deaths in 1944

According to the *Statistical Bulletin* of the Metropolitan Life Insurance Company, the year 1944 was the third in succession in which total military death losses in action, for all belligerents, approached or exceeded the 2,000,000 mark, and the fourth in succession in which the years' toll was on a scale comparable to the annual losses in the first World War. The 1944 figure will probably exceed two millions. This is presented as a considered estimate based on a wide variety of sources, many of which are conflicting.

The United States is the only major belligerent which issues frequent official reports on its battle losses. (Unless otherwise stated, the term *losses* throughout this article refers exclusively to deaths in action or from battle wounds in the military, naval, or air forces.) At the other extreme, the Germans have made no statements for more than two years past regarding their

current losses. Estimates of losses even for some of the major belligerents depend, then, on a summation derived from occasional statements on losses in a single campaign or series of campaigns, on the claims and counterclaims of one belligerent with reference to another, and on the published critical analyses of military experts.

American battle deaths in 1944 were the largest for any year in the entire history of this country. The total for 1944 is estimated at about 145,000. This figure, based upon official reports, includes deaths among the wounded, and allowances for probable deaths among the missing and for unavoidable delay in the receipt of death reports.

Our losses last year were about five times those of 1943 and over three times as many as in the 25-month period from Pearl Harbor to the end of 1943. On the Western front alone, our 1944 losses exceeded our total for all of the first World War. It is of interest to note, however, that the maximum monthly rate reached in December, 1944, was not much different from the peak in the first World War, when 19,000 of our men were killed in action in October, 1918. More than four-fifths of American losses last year were sustained by the Army. Moreover, losses among the Marines, chiefly in land fighting in the Pacific area, accounted for about half of the Navy's total. Despite the greatly increased scale of operations by our fighting fleets last year, losses among ship personnel were relatively small.

To Japan, 1944 brought not only the highest losses of any year in this war, but the highest ever suffered by her in any year of war since her contacts with the western world began nearly a century ago. Japan admitted losses of 168,000 killed and wounded in her third year of the war, but careful review of the operations in the Pacific and in East Asia indicates that her death losses were upwards of 350,000, and may well have exceeded 400,000. A significant proportion of this total was incurred in the sinking of troop transports and barges. Her losses of naval personnel were particularly heavy, largely as the result of the two major battles of the Philippine Sea.

The Germans continued to suffer great casualties last year. On the Russian front, where their chief losses were sustained, combat deaths probably equaled or exceeded those of the Russians. The Germans have not only been completely silent on their own losses for some time past but they have been reticent even about losses inflicted on others. Last year witnessed a rapid decline in Germany's striking power everywhere, and a drastic shrinkage of the areas under her domination and control. The Germans have shown themselves masters in the techniques of retreat, but even so, they could not escape heavy losses in view of the long lines they had to defend and in view of the necessity of making a stand at some points in order to protect their main forces during the long retreats. From a careful review of the events, a conservative estimate of Germany's combat losses on all fronts last year would be 800,000 men. . . .

Up to the end of 1944, the present war has cost the lives of about 8,000,000 men killed in action or dead of wounds. This figure is roughly of the same order as the total for the first World War. The major part of the fatalities in the present war have been suffered by Germany and Russia. Each of these countries has lost upwards of 2½ million men, or more than in the first World War. Our own losses now approach or exceed 200,000, that is, between three and four times the total for the last war. Comparatively speaking, the greatest contrast is for Japan, whose losses of more than 600,000 far exceed the aggregate for all preceding

wars in which she had engaged since she first began to emerge as a world power 50 years ago. English and French losses are still well below those of 1914-1918, largely because of the differences in the character of military operations in Western Europe in the two wars.

Shall Army Physicians Also Serve Civilian Army Employees?

Concerning a Recent Questionnaire

Oakland, California, March 5, 1945.

To the Editor.—Enclosed herewith is a copy of a questionnaire form now being circulated within the Army Medical departments and apparently looking toward an extension of Army medical service to all civilian employees of the War Department and their dependents and to the employees of War Department contractors. Where this service would stop is by no means evident.

May I suggest that this questionnaire be published in CALIFORNIA AND WESTERN MEDICINE?

Most sincerely yours,
Signed: Signature of C.M.A. Member.

* * *

1. Pursuant to directive form G-4, The Surgeon General is undertaking a study of the provisions of medical care to civilian employees of the War Department.

2. It is requested that you take the following action:

- a. Transmit the attached questionnaire to all hospitals and/or dispensaries under your command for completion.
- b. Forward all completed questionnaires to this office not later than 15 March 1945 using air mail where practicable.

3. The attached one-time report has been authorized by the Control Division, ASF.

* * *

ONE-TIME REPORT ON PROVISION OF MEDICAL SERVICES FOR CIVILIAN EMPLOYEES OF THE WAR DEPARTMENT AND THEIR DEPENDENTS

1. *Purpose.* Because of the critical shortage of medical personnel and facilities in many communities, increasing demands are being made upon the War Department for the extension of medical services for civilian employees and their dependents in *other than remote or isolated areas*. In order to determine the extent of the increased burden being placed upon the Medical Department, this one-time report is requested.

2. *Definitions.* For purposes of this report civilian employees of the War Department will include:

- a. War Department employees.
- b. Employees of War Department contractors.

3. The Commanding Officer of each reporting hospital or dispensary will:

a. Complete the attached form. The data to be furnished on medical services provided at a hospital or at a dispensary for civilian patients are grouped by the type of civilian served:

- (1) Civilian employees of the War Department.
 - a. Admitted for injury in performance of duty or for disease resulting therefrom (Paragraph 6d, AR 40-590).
 - b. Admitted for other causes.
- (2) Dependents of civilian employees.
- (3) Beneficiaries of Veterans' Administration.
- (4) Dependents of military personnel.
- (5) Civilians under military control (inductees).

The total number of civilian employees at an installation and at all other organizations receiving medical services at that installation is also requested.

b. Discuss the problem of providing medical services for civilian employees of the War Department and their dependents. It is requested that the discussion be guided by the following points:

- (1) Are the data entered in the table fairly typi-

cal of the installation or were there unusual factors in operation during the period covered by the report which would tend to bias any conclusions drawn therefrom?

- (2) What is the current policy in effect at the particular installation relative to the admission and treatment of civilian employees of the War Department and their dependents?
- (3) Is the installation located in an area critically short of civilian medical personnel and facilities? If so, to what extent has this shortage affected the work load at the installation?
- (4) Is the availability of medical services a serious factor in recruiting civilian personnel and in keeping such personnel on the job?
- (5) To what extent is the absentee rate among civilian employees a result of inadequate medical care in the civilian community?
- (6) If medical service were provided for *all civilian employees* of the War Department and for dependents, what is the probable future load at the particular installation? Hospitalization load may be denoted by the probable average number of beds that would be occupied by civilian employees and their dependents; the dispensary load may be indicated by the probable number of additional Medical Corps officers required to carry the load.
- (7) In light of (3), (4), (5) and (6) above, evaluate the policy currently in effect, as described in (2).
- (8) Submit specific recommendations in light of past experience for changes in current War Department policies concerning the provision of medical services for employees of the War Department and their dependents.

Letters from Military Colleagues

V-Mail Letter

From: M. N. Hosmer, Comdr. (MC), USNR,
U.S.S. Langley CUL 27,
F.P.O. San Francisco,
March 7, 1945.

Dear George:

Here we are a hell of a long way from good old S. F. My new duties are interesting but rather rugged at times. I have found that they are really playing for keeps out here and no foolin'. You have probably seen by the papers that the good old Navy is doing quite a job. My part is rather small but it is good to be in on it just the same. I imagine the Japs wish they had never heard of the U.S.A. Give my regards to the boys. . . .

(Signed) MAT HOSMER.

* * *

1st Lt. Clark Richardson, 0-548670,
Hq. Co., 3rd Bn., 275th Infantry,
A.P.O. 461, c/o Postmaster,
New York, N. Y.

CALIFORNIA AND WESTERN MEDICINE,
San Francisco 8, California.

Hello, California and Western Medicine:

I've moved around the world from you—to way over here in Eastern France. Could you change the address? The new one is up in the corner.

We went through a bit of Hell here awhile back. Quite a battle. When casualties come rolling in there's no time to sit back and read the medical journals, but now our sector is quiet and we are able to catch up on news from home.

Along with winning the war over here, the medics also win the friendship of the local people by taking over much of their medical care. Civilian doctors just aren't around so we step in and do much of their work.

So long now. Keep sending CALIFORNIA AND WESTERN MEDICINE. It reminds us of home.

(Signed) CLARK M. RICHARDSON,
3rd Bn. Surgeon, 275th Infantry.

U. S. Casualties Nearing Million

Total Averaging More Than 2,000 Every Week as Fighting Increases

Washington, March 31.—American casualties will pass the million mark before May 1, if the present tempo of fighting continues on all fronts. And within a year the number will pass the two million mark estimated by retired Admiral Harry E. Yarnell, former Asiatic Fleet commander, as our casualty total before the Germans and Japs are whipped.

For the past several months casualties reported by Army and Navy have averaged more than 2,000 a week. To date there have been 872,862 reported, including 189,541 killed, 515,971 wounded, 70,495 prisoners of war and 96,855 missing in action.

These figures do not include either the bloody totals from Iwo Jima or the stepped-up drive against Germany. It takes more than a month before all the figures from an engagement are included in the totals released periodically by the War and Navy Departments.

Military leaders have been warning that the United States would have to steel itself to shocking casualty figures as Allied forces back closer to the heart of the two Axis nations. Many military authorities say the worst is yet to come.

Total Allied casualties so far, according to the latest available reports, are close to 10½ million, not including civilian losses. According to Prime Minister Churchill, British Empire forces passed the million mark in December, exclusive of 150,000 civilians killed and wounded. Britain, of course, was in the war more than two years before the United States.

Chinese Army casualties for the seven years, July, 1937, to June 30, 1944, numbered 2,802,220, according to an official report.

Russia last reported 5,300,000 casualties during the first three years of the Russo-German conflict. This figure would be larger now.

French losses include 125,000 killed, 200,000 wounded and the staggering total of 915,000 prisoners of war, most of whom are now working in German factories. French authorities reported at the end of 1944 that 80,000 civilians had been killed as a result of bombing and other military operations and that 90,000 civilians had been shot during German occupation.

What enemy casualties have been, naturally, can only be guessed. Russian estimates of Nazi losses on the Red front alone place them at more than nine million. Believed to be more reliable is a report from inside Germany that three million have been killed in action, 500,000 hopelessly maimed and two million wounded. Another one million are prisoners of war.

Japans losses are hardest to estimate. China, fighting since 1937, has inflicted 2,500,000 casualties, according to conservative estimates. Unofficial guess of a high military leader is that the Japs have suffered approximately 1,500,000 casualties from United States action alone.

Total World War I battle casualties were 364,800, including 125,500 deaths. The Muese-Argonne battle of 1918, which lasted 47 days, caused 120,000 casualties.

Fewer Wounded Die Than in First World War

In World War I five out of six men wounded recovered sufficiently to return to active duty, the War Department says. The Army reports that the proportion is much higher in this war. Only one-half as many of the wounded are dying, as compared to the last war. The surgeon general reports that about 3.7 per cent of American wounded have died in World War II, compared to 6.1 for World War I.

Including all action, Russia lost most heavily in the

First World War, according to U. S. War Department figures. She counted 9,150,000 casualties. France came next with 6,160,800. Great Britain lost 2,190,235, and Italy lost 2,197,000. Total Allied casualties were 22,104,209 compared with 15,404,477 for the Central Powers. Total casualties on both sides were 37,508,686.

Death from disease in the American forces has been reduced from 12.8 per 100 in World War I to 0.5 per 1,000 in this war.

Casualties are the key to the future draft problems of the country. With the Army pegged for the next three months at about 8,200,000 and the Navy at about four million, the services are now on a replacement basis. In other words, generally speaking, our casualties will have to be replenished by new men to maintain the present size of the armed forces.

Selective Service estimates that about 100,000 men reach draft age each month. Of this number only about 75,000 are found to be fit for combat duty. With casualties more than 85,000 a month, according to the current rate, it is obvious that Selective Service must tighten up on deferments and dig into the reservoir of men in uniform.

Mitigating this obvious numerical shortage, however, is the large proportion of wounded, counted as casualties, who are able to return to active duty.

How many men peace in Europe will release is anybody's guess. General Stilwell estimates Japan has an army of five million men in the mainland of China. If this is true, it could mean just as tough a fight as is now going on in Europe, and even tougher in terms of casualties.

Although so far World War II hasn't taken the toll of World War I, according to figures released, it is known that for security reasons the real story won't be told until years after the fighting. Officials agree that the Allied total of more than 22 million casualties of World War I could be doubled before the world lays down its arms in the present struggle.—San Francisco *News*, March 31.

Mortality Continues at Low Level in 1944

The mortality of the American people was maintained at a low level in 1944, our third full year at war. . . . Fears that the war would seriously affect the health of the civilian population have thus far failed to materialize. The Nation is reaping the harvest of the medical and public health services which it has built up over the years.

But the shadow of war is part of the national picture, and must be taken into account. . . .

The rising tide of war deaths naturally reflects itself in the figures for the average length of life for the group as a whole. . . . In 1944 the average length of life among Metropolitan Industrial policyholders, as computed from current mortality, was 62.8 years, or a loss of 1.4 years from the maximum recorded in 1942. When deaths by enemy action are discounted, this reduction is canceled.

Hutchinson's Triad.—Because of his description of the triad diagnostic of congenital syphilis, Jonathan Hutchinson became especially known as a syphilographer. He was also known as an eminent specialist in at least two other subjects—ophthalmology and dermatology. His name is further associated with the eponyms, "Hutchinson's facies" and "Hutchinson's mask." Ten volumes of the "Archives of Surgery," which he founded and edited, were almost entirely written by himself.—Warner's *Calendar of Medical History*.

COMMITTEE ON SCIENTIFIC WORK

California Medical Association—Re: 74th Annual Session

*Meetings Will Be Held in Los Angeles on
Sunday, May 6, and Monday, May 7, 1945*

Meetings of the thirteen Scientific Sections of the California Medical Association will be held under the auspices of the Los Angeles County Medical Association. This action is necessary because of the rule of the Office of Defense Transportation which aims to do away with unnecessary railroad travel and reduce the load on hotel accommodations.

The California Medical Association has thirteen Scientific Sections. For convenience of reference a number is attached to each of the sections in the list which follows:

SECTIONS

- I—General Medicine
- II—General Surgery
- III—Obstetrics and Gynecology
- IV—Eye, Ear, Nose and Throat
- V—Anesthesiology
- VI—Dermatology and Syphilology
- VII—Industrial Medicine and Surgery
- VIII—Neuropsychiatry
- IX—Pathology and Bacteriology
- X—Pediatrics
- XI—Radiology
- XII—Urology
- XIII—Public Health

All meetings will be held in the Elks Temple at West Sixth and Park View, or in the headquarters building of the Los Angeles County Medical Association at Wilshire Boulevard and Westlake Avenue. Morning meetings will begin at 10:00 A.M. and afternoon meetings will start at 2:00 P.M., unless otherwise announced.

The use of the Elks Temple and the County Medical Building does away with the necessity of calling upon the Hotel Biltmore to disarrange its own activities to make available the battery of meeting rooms which have been used by the C.M.A. during the last two years.

The facilities in the Elks Temple are excellent from the standpoint of large and accessible meeting rooms. Parking facilities are also good. The House of Delegates will use the Auditorium of the Los Angeles County Medical Association headquarters building, and it is possible that the standing committees may avail themselves of the facilities of the Library Building.

Editorial comment concerning the meeting is also given in this issue.

The usual publicity, with photographs of officers, which in years gone by has appeared in CALIFORNIA AND WESTERN MEDICINE will not be presented this year.

In the *Bulletin of the Los Angeles County Medical Association* having date of April 19th additional information will be given, and likewise in the issue of May 3rd.

However, owing to need of paper conservation, it will not be possible to print abstracts either in CALIFORNIA AND WESTERN MEDICINE or in the *Bulletin of the Los Angeles County Medical Association*.

The complete programs with abstracts of papers to be presented will be given in the *Section Programs* which will be available at the meeting places.

A block outline of the places and hours of meetings of the various sections and other C.M.A. activities appears below.

Building	Room Therein	Sunday Morning May 6	Sunday Afternoon May 6	Monday Morning May 7	Monday Afternoon May 7
I Elks Temple	(A) Lodge Room (Mezzanine)	1st General Session 10:00 A.M. Lodge Room	Joint Meeting Medicine I Surgery II	Surgery II	Eye, Ear, Nose and Throat IV
	(B) Ball Room (Mezzanine)		Pediatrics X	Medicine I	Obstetrics III
	(C) Rotunda Room (Ground Floor)		Industrial Medicine VII	Radiology XI	Public Health XIII
	(D) Parlor A (4th Floor)			Neuropsychiatry VIII	Pathology IX
II Los Angeles County Medical Association Building	(D) Auditorium		House of Delegates		House of Delegates. Council Organization.
	(E) Dining Room (2nd Floor)		Anaesthesiology V	Dermatology VI	Urology XII

Medical-Military Films.—Restricted Military Films will be shown in Lodge Room of Elks' Temple on Sunday evening, May 6, from 8:00 to 10:00 P.M.

LOCATIONS OF BUILDINGS

1. *Elks Temple.* West Sixth Street and Park View (Phone: Fitzroy 5281), Lodge and Ball Rooms on Mezzanine floor (top of stairs). Rotunda on Ground Floor.

2. *Los Angeles County Medical Association.* Wilshire Boulevard and Westlake (Phone: DRexel 7175). Auditorium on Main Floor. Dining Room on second floor. Library at 634 South Westlake.

3. *Council Meeting, 12:30 Noon, on May 5, Town House.* 639 S. Commonwealth Ave. (Phone: EXposition 1234).

CHAPTER IV

RE: COMPULSORY HEALTH INSURANCE
BILLS PENDING IN 1945 CALIFORNIA
LEGISLATURE (56TH SESSION)

CALIFORNIA AND WESTERN MEDICINE for January, 1945, on pages 1-4 and 25-40 presented informative comments and items dealing with proposed Sickness Insurance laws for California.

In the issue of February, on pages 51-53 and 64-92 the items were continued as Chapter II of the series.

In the March number of CALIFORNIA AND WESTERN MEDICINE the sequence appeared as Chapter III, pages 123-126.

In the present number of CALIFORNIA AND WESTERN MEDICINE the sequence is given as Chapter IV. (See pages 188 to 198.)

Index of Sickness Insurance Items

(The *index* of "Chapter I" of Sickness Insurance items, appeared in CALIFORNIA AND WESTERN MEDICINE, for January, on page 40. The *index* of "Chapter II," appeared in the February issue, on page 64. "Chapter III" *index*, on page 123 of March issue. What follows, is the *index* for "Chapter IV.")

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ITEM I

Health Insurance Vote by People Called Sure

Sacramento, March 4.—The people of California will have to vote on whether they are to have compulsory State health insurance, according to experienced opinion around the Capitol today on the eve of the reconvening of the second half of the legislative session.

Health insurance legislation was uppermost in the minds of the members of the Legislature arriving tonight.

Conversations with them led to the conviction that none of the health insurance bills now in committee will be passed without important changes. Also, it is argued, the subject will go to a vote of the people even if a health insurance bill is passed, and it will be on the ballot in 1946.

If legislation of the type sponsored by Gov. Warren or the C.I.O. is passed the chances are the doctors and others will join forces and compel a referendum on it. If the bill sponsored by the doctors is passed, its opponents will take it to the people. The C.I.O. announced, in presenting the bill it sponsors, that if it does not pass the measure will be put to a vote of the people as an initiative.

The arguments then swing around the question of what

sort of bill can be put through that even the people can vote on.

Whether some legislative genius will be able to bring forth a compromise bill that will satisfy enough on both sides to obtain the necessary votes for passage appears doubtful. They are arguing even as to how many votes will be required—a majority or a two-thirds vote, the latter being required for an appropriation.

Aside from the health insurance measures, Governor Warren has several other items on his legislative program. Indications are that he is not going to have as easy and comfortable a time as he had at the last session. A number of Republicans are critical of some of his proposals, and Democrats will be shooting at him for political reasons.

Warren does not appear worried. He has his genial personality and ready smile and gives no evidence of being perturbed. . . .

With some 3,400 bills to be acted upon and the health insurance measure producing the most lively legislative topic in years, it looks like a very interesting session that will run at least until the middle of May.—Los Angeles Times, March 5.

ITEM II

Legislature Reconvenes

Early Clash Over Procedure on Health Insurance Expected

Sacramento, March 5.—As the Legislature reconvened today for the second half of the regular session, indications were that the first clash over compulsory health insurance will come when proponents of pending bills on that subject seek to have them considered by the entire Assembly instead of the public health committee of the lower house.

Authoritative sources close to the committee members declare a majority of the public health committee is opposed to either Governor Warren's bill or the Thomas C.I.O.-sponsored measure.

Compulsory health insurance was the subject most discussed by legislators, lobbyists and others around the Capitol as the session got under way.

Tomorrow the public health committee will meet and decide how soon it will schedule hearings on the various health insurance bills, according to Chairman Fred Kraft, San Diego.

Kraft said Governor Warren had informed him he was willing to "accept any reasonable amendments that will make his bill more workable." . . .

Legislative Counsel Fred B. Wood has ruled that both Governor Warren's bill and the Thomas bill, as now written, will require only a majority vote, or 41 in the Assembly, and 21 in the Senate, for passage.

Question has arisen as to whether the bills carry implied appropriations which would put them in the category of requiring approval by a two-thirds vote in each house. But Wood states that the bills in their present form do not carry any implied appropriation.

That whole question will be threshed out later during the debate over the bills, in spite of Wood's opinion. . . .

The Governor has been informed of the attitude of most of the Assembly Health Committee members and is under no delusions as to the type of fight which will have to be waged if that committee holds the hearings on his bill. . . .

Predictions were made in both houses that the consideration of the 3,400 odd bills, constitutional amendments and other matters would require about three months' time.—San Francisco Chronicle, March 6.

ITEM III

Compulsory Health Insurance Unlikely to Pass
Current Legislature, Says Assemblyman

"Compulsory health insurance has aroused the greatest public interest and has created not only the most enthu-

siastic support, but the most violent opposition," says Assemblyman T. Fenton Knight, just before his return to Sacramento to answer roll call for the beginning of the last part of the current session of the State Legislature.

Following a five weeks' study and survey of public reaction to compulsory health insurance, Assemblyman Knight states that he has accumulated sufficient information to lead him to believe that the State as a whole is opposed to socialized medicine, or is so divided in support of some one of the four major measures that it is unlikely that any of the bills will be finally passed at this legislative session.

Following is Assemblyman Knight's statement just before leaving for the Legislature:

Bills in Four Groups

"Most of the controversial bills which will consume a substantial portion of the Legislature's time for the balance of the session fall naturally into four groups. These groups are compulsory health insurance, budget control, disposal of State surplus income, and a stabilized tax program.

"Socialized medicine or compulsory health insurance has unquestionably aroused the greatest public interest and has created not only the most enthusiastic support, but the most violent opposition. There are now four major bills dealing with this subject before the Legislature. These four bills cover the entire field of socialized medicine quite thoroughly from left to right. The measure which would most completely revolutionize the practice of medicine in this State, if adopted, is a duplicate of the defeated plan sponsored by Governor Olson in 1939. The bill, authored by men who are in sympathy with the recommendations of the C.I.O. is more liberal in its provisions than the one recommended by Governor Earl Warren in that it would extend medical benefits to our elderly citizens in addition to those eligible to unemployment insurance. The most conservative of these four measures is the bill supported by the medical profession itself, which does not contemplate the levy of any tax not now in existence.

"During the five weeks that I have had to survey and study public reaction on this subject, I have accumulated sufficient information to lead me to believe that the State as a whole is opposed to socialized medicine, or is so divided in support of some one of the four major measures that it is unlikely that any bill will be finally passed at this session. The need of improved medical attention for the citizens of California is generally recognized, but the method by which it should be supplied is not so easily determined. It is on the method and not the need that the present controversy hinges. . . —Los Angeles Times, March 6.

ITEM IV

Health Bill Delayed

Hearings Resume March 27

Examiner Bureau, Sacramento, March 6.—The assembly committee on public health postponed further consideration of health insurance measures until March 27, to give proponents and opponents of the various bills ample time to prepare arguments on what has already developed into the hottest issue of the 1945 regular legislative session.

As the senate does not expect to take up compulsory health insurance until the assembly committee has acted, today's decision by the health committee means that the lawmakers will be marking time on this controversy for the next three weeks.

Assemblyman Fred H. Kraft, chairman of the public health committee, said that another two weeks will be required to transcribe the notes taken during the committee's hearings in San Diego, Los Angeles, San Francisco and Fresno during the February recess. Pending

resumption of the hearings here March 27, the committee will clear its decks of scores of noncontroversial bills, Kraft explained. . . —San Francisco Examiner, March 7.

ITEM V

Legislators May Shift Health Bill to People

Sacramento, March 11.—A proposal to take some of the protesting legislators "off the hook" on proposed State health insurance legislation by dumping the highly controversial question into the laps of the people was being noised about the Capital over the week-end.

The proposal, in short, is for the Legislature to enact a State health insurance law and provide therein that it shall be effective only if approved by the people at a general election. The people would vote on it as a proposition on the ballot.

In more than one quarter comment from legislators has been heard that "it is such an important thing that the people themselves should vote on it." . . .

Method Questioned

Whether or not a simple law could be enacted and referred to the people or must take the form of a constitutional amendment was a moot question around here. It was learned today the legislative counsel legal adviser to the Legislature has been asked to look into the matter and give an opinion. Who made the request could not be disclosed.

Legislators who have discussed the matter are reluctant to present proposed health insurance legislation to the people as a constitutional amendment because if it became a part of the Constitution it could be amended only by a vote of the people—a situation highly undesirable in this type of legislation. It might be proposed as a simple enabling act—indicating the desire of the people to have the Legislature enact a health insurance law and declare whether the principle of compulsory tax financing should be employed or whether voluntary participation should be the method.

The usual end to any discussion on health insurance legislation is: "Well, the people are going to have to vote on this anyhow so no use in getting too worked up about it."

Hearings to Resume

Health insurance bills are set for resumed hearings before the Assembly Health Committee March 27. In the Senate the first hearing has yet to be held but it is expected the hearing will be scheduled very soon. . . —Los Angeles Times, March 12.

ITEM VI

The Health Insurance Proposals—I

Governor Warren in advocating his compulsory health insurance proposal voices the hope that further light instead of heat be turned on this controversial subject.

The need for further light to aid a confused public is clearly indicated in the widely varying claims and assertions that have been made at the public hearings conducted by the Assembly Public Health Committee and elsewhere. There are several basic questions to be considered if the people are to be afforded an opportunity for an intelligent decision.

These range from the initial question of whether the people at this time desire the State to act in this field of social legislation to the type of coverage and the ways and means to finance it. Whether or not the present Legislature passes one of the pending measures, the prospect is that the issue will come before the people later at the polls.

Everybody recognizes the financial, economic and social problems and hardships that unexpected illness can bring

and presumably nobody is opposed to practical measures to alleviate them. It also may be taken for granted that most persons favor every sound measure to protect and to improve the health of our people.

As doctors of medicine themselves have pointed out, medical care is but one phase, however important it may be, of the health problem. Heredity, individual willingness to follow healthful regimes of living, public health measures, and sanitation also are important. Persons who financially are able to command the best of medical care still have their health problems so obviously the answer is not solely a pecuniary one.

Other countries have used various types of health insurance plans but all of these admittedly have their shortcomings. Moreover, what might be suitable for a foreign nation with a different economic background and a generally lower standard of living would not necessarily be desirable in this country. When the over-all health record of this country is compared with those of other countries, there is little question of the leading position maintained by America.

But what is under consideration now is to make readily available without undue financial or economic hardship the benefits of the progress in medical care and particularly to that broad group which lies between the wealthy who need no insurance protection and the indigents for whom the State or local government makes provision.

The medical profession certainly is not opposed to this effort, but from their experience the doctors have their own considered opinions as to how this objective might best be accomplished, and their views merit proper consideration.

While Rhode Island in 1942 adopted a compulsory cash sickness insurance system, the first State system of its kind in this country, its limited scope (which in effect amounted to an extension of the benefits under State unemployment insurance to include sickness) does not afford much experience to guide other States which like California may be considering broader programs. If a State program rather than a national program which would place all States on the same basis is deemed desirable, there are certain questions to be settled.

The first of these, if any State plan is to be adopted, is, whether it should be compulsory or voluntary. Next is the question of coverage. If compulsory, should it apply to everybody or be limited to employees subject to the unemployment insurance tax and their dependents? One bill before the Legislature proposes universal medical care with the cost to be borne entirely by the State.

What are the estimated costs of the compulsory plan about which most of the discussion has centered? Are the provisions for financing it sound, or are alternative proposals more desirable?

These are some of the questions that arise in considering the health insurance proposals which will be discussed further in these columns tomorrow.—*Los Angeles Times*, March 13. (Editorial.)

ITEM VII

Health Insurance Proposals—II

Wherever a system of compulsory health insurance has been used, the number of sick claims invariably has shown steady expansion. That has been true in foreign countries and in Rhode Island, which adopted a compulsory cash sickness plan in 1942 and started disbursements April 1, 1943.

Monthly benefits under the Rhode Island system, which is the first of its kind in this country, pyramided rapidly, rising from an initial \$120,000 to \$450,000 in a three-month period. A medical examination board was established and the number of claims reduced but later the insurance fund was paying out more than it took in, caus-

ing Governor McGrath to recommend to the 1945 Legislature revisions in the law to assure the solvency of the fund.

Arguments as to whether this definite trend toward expansion of claims reflects the value of compulsory insurance in affording medical care to persons previously denied it an account of finances or whether it reflects the incidence of imaginary illness or malingering are beside the pertinent points. These are that this trend points up the difficulty of estimating in advance the cost of any compulsory plan and the obvious importance of being sure that the participants are not misled as to the type and extent of protection and of avoiding later curtailment of benefits. The application of the insurance principle here is not so simple as it might superficially appear, and particularly is this true when the protection offered goes beyond cash indemnities and attempts to make available the medical care itself.

The Rhode Island system ran into difficulties in the cash sickness coverage of employees subject to State unemployment insurance. Under the bill Governor Warren recommends not only employees covered by State unemployment insurance and State and municipal employees but their dependents also would be eligible to the medical care specified. This obviously complicates the efforts to estimate the probable costs.

On the basis of 1943 employment and payroll data, the State Chamber of Commerce has presented some estimates. Figuring the average number of dependents per worker in California at 1.21, it estimates the total number of persons eligible for benefits under this bill at 5,495,000 or approximately 65 per cent of the total population of the State. Another 1,000,000 to 1,500,000 persons, according to proponents of the measure, would voluntarily come under the plan.

Including both compulsory and voluntary coverage, it is estimated that the total income of all persons who would be covered would aggregate \$7,486,602,000. Studies of general medical or health service costs in relation to income indicate that the cost of adequate care would require an average expenditure of about 5 per cent of total income. Under the estimate that the Governor's bill would provide approximately 90 per cent of adequate care, the cost would require an average expenditure of 4.5 per cent of income, or \$336,897,000 annually on the 1943 basis.

Other estimates based on per person costs ranging from \$45 to \$62.50 per year run from \$298,575,000 to \$414,787,000. Since the estimated total revenue to be raised under the bill is figured at \$210,656,000, the indicated annual deficit, according to the State chamber study, would be between \$88,000,000 and \$204,000,000. These estimates as explained are based on 1943 data and if employment and incomes were to decrease after the war the revenues raised under the measure would also be greatly decreased.

Under the tentative provisions of the measure the benefits would become available six months after the payroll taxes started and until the end of June, 1949, the State would provide additional funds necessary to assure operation if revenues from the taxes proved insufficient. The question and the size of a deficit, therefore, are important and the weight of evidence from the experience of other countries and of Rhode Island is that actual costs usually are underestimated. . . .—*Los Angeles Times*, March 14. (Editorial.)

ITEM VIII

Health Insurance Proposals—III

When employees are confronted with the proposal to increase their pay check deductions 1½ per cent for compulsory health insurance, they should bear in mind that there still remains another 2 per cent hike in their old age insurance for their pay checks to absorb.

Under the Governor's health insurance proposal employees would be taxed $1\frac{1}{2}$ per cent up to \$4,000 of their annual wages (the maximum for unemployment and old age insurance is \$3,000.) Employees are now taxed 1 per cent for unemployment insurance and an equal amount for old age insurance. During the war Congress has frozen the rate for the latter tax at 1 per cent both for employees and employers, but this tax is still subject to a later boost to 3 per cent.

Present payroll taxes which California employers are obligated to pay approximate 8 per cent on the average for workmen's compensation, old age and unemployment insurance. Employers, of course, also face the 2 per cent boost in their payroll taxes for old age insurance to the 3 per cent rate. This together with the proposed $1\frac{1}{2}$ per cent tax on their payrolls for compulsory health insurance would bring the average payroll taxes for employers in this State to about $11\frac{1}{2}$ per cent.

When normal peacetime competition is resumed, increasing the burden of such taxes might well stimulate the installation of labor-saving machinery and the adoption of other means to cut payrolls. Smaller business units particularly would feel the increased tax on their payrolls which certainly would be no incentive for the addition of new employees. Workers who are thus deprived of jobs will not benefit from a State compulsory health insurance system.

The insurance principle admittedly would be stretched if employers and employees were compelled to contribute to a fund from which it is proposed to disburse not for eligible employees alone but for an undetermined number of dependents of such employees. This is a particularly pertinent issue in a State to which thousands of families migrate each year in the hope that the mild, healthful climate will benefit the health of some member of the family.

In considering the urgency of any compulsory measure, it is well to look at what is being done under existing voluntary programs. Many progressive employers in this State have inaugurated sick benefit and hospital plans for their employees. Undoubtedly their example could and should be followed by others.

Sick leave to salaried employees under formal or informal agreements is provided by an estimated 80 per cent of California employers, according to recent information, and the various government units also normally provide for paid sick leave for their employees. The possible effect of the impact of compulsory health insurance taxation on these voluntary aids to employees should be carefully weighed.

One of the strongest arguments for health insurance is that it may avert the catastrophe of doctor and hospital bills which in a case of severe illness can inflict a paralyzing financial burden on a family. But the limitations placed on the services in the compulsory measure recommended by the Governor would cut off benefits just about the point where for most people the doctor and hospital bill problem begins to get really tough. If the proponents of a compulsory measure can figure out the answer to this real problem, they will have something to talk about.

Under individual insurance policies and various group plans it is estimated that more than 1,500,000 Californians are covered in varying degrees by existing voluntary and group programs. A number of alternative proposals to compulsory health insurance are before the Legislature and in these there may well be the means of expanding and popularizing the voluntary programs as well as making broader use of the existing system of county hospitals as proposed in the Farm Bureau bills.

Like the Rhode Island plan which in effect diverted 1 per cent of the employee's $1\frac{1}{2}$ per cent contribution to

unemployment insurance to finance the cash sickness insurance, the California Medical Association proposal would provide for payment of cash sickness benefits under the California Unemployment Insurance Act. The doctors' bill would also encourage the joining of State approved hospital and medical care plans by reducing employee contributions to the unemployment insurance fund up to 50 per cent in the case of employees joining such plans.

The voluntary plans avoid the involved administrative setup of a compulsory system which proposes to register doctors and hospitals and to fix fees for specified services. If inducement credits in taxes can be given employees and employers to stimulate the growth of such voluntary plans, they might well supply the answer to the problem of expanding medical care on a practical, sound basis.

California is a large State with a diversified economy and attempts to set up a compulsory system without careful regard to the varying needs of our people and of the medical facilities and doctors that are available to them would invite disillusionment and probably retard rather than advance the progress of medical care in this State.

The whole subject of health insurance and the various proposals pertaining to it now before the Legislature need to be carefully and realistically appraised. Until more proof is forthcoming that the desirable objectives cannot be better accomplished through voluntary systems, the *Times* recommends against the adoption of a compulsory measure.—Los Angeles *Times*, March 15. (Editorial.)

ITEM IX

Warren Opposes Salary Rise in Upper Brackets *Hints Veto Until Policy Devised for Rank and File State Employees*

Examiner Bureau, Sacramento, March 14.—Governor Earl Warren declared today that he will not approve any salary increases for superior judges, constitutional officers of the State, or department and bureau heads until a salary policy has been decided upon for the rank and file of State employees. . . .

Public Health

Asked if he would compromise on one of the phases of the health insurance program set up in the Wollenberg-Salsman bills, Warren earnestly replied:

"What I am most interested in is the establishment of a system of public health insurance for the people of California. Everything in the way of detail is less important than that."

Disturbed by reports that opponents of compulsory health insurance are stating that private medical histories would become public records, Warren said he was asking the authors of his bill to offer appropriate amendments.

"Nothing could be farther from the truth than that these records would ever be used to embarrass or harass people," Warren said. "Nevertheless, I am suggesting to the authors of the bill that they add a section making these records strictly confidential, to be used only in the administration of the act."

Records Private

"The records should be private to the same extent that law and medical ethics now make medical histories private. The law already establishes the principle of privacy in adoption cases and workmen's compensation cases." . . .—San Francisco *Examiner*, March 15.

ITEM X

State Survey of Health Bill Costs Urged

Financial Study for Committee Use Asked by Lawmaker
Examiner Bureau, Sacramento, March 16.—An impar-

tial and exhaustive survey of the financial aspects of compulsory health insurance was requested today by Assemblyman T. Fenton Knight, Republican, of La Canada, in preparation for resumption of hearings on the subject March 27 before the assembly committee on public health.

Knight is a member of the ways and means committee and vice chairman of the joint legislative budget committee, which directs the activities of Rolland A. Vandegrift, Legislative Auditor. Knight said he would ask Vandegrift to have the financial study ready in time for use before the committee.

Bring Out Facts

"My purpose is solely to bring out the facts about the cost of compulsory health insurance," Knight said, "through a disinterested employee of the legislature. Virtually all the estimates and calculations we have received thus far are from partisans.

"We have had estimates from the Governor, the C.I.O. and other sponsors of prepaid medical care bills. We have had statements from the California Medical Association, labor groups and chambers of commerce. But these are all groups which have taken a stand for or against compulsory health insurance, or on particular bills."

Vandegrift on Spot

Vandegrift, former State director of finance, is all but certain to find himself in the middle of a fight if he complies with Knight's request. He has already stated the belief that the prepaid medical care plan sponsored by Governor Earl Warren would cost \$100,000,000 a year over and above the funds raised by the proposed 1½ per cent deductions from both employer and employee pay-rolls.

If Vandegrift sticks to his original statement, he will be accused of sniping at health insurance, and if he changes it, the authenticity of his report will be challenged.

Meanwhile, Assemblyman Fred Kraft, chairman of the public health committee, said the group would hold an executive meeting Monday afternoon to decide on procedures at the public hearing beginning March 27.—San Francisco *Examiner*, March 17.

ITEM XI

Concerning Costs of A.B. 800 (Governor Warren's Bill), and A.B. 449 (C.I.O. Bill)

Opinion of Rolland A. Vandegrift, Legislative Auditor.

The *Assembly Journal* of March 20, 1945, presents an opinion submitted by the California Legislative Budget Committee. Excerpts from Auditor Vandegrift's letter follow:

Mr. Knight asked for, and was granted, unanimous consent that the following Report of the Legislative Budget Committee, compiled by Mr. Rolland A. Vandegrift, the Legislative Auditor, be printed in the *Journal*:

Legislative Budget Committee

Capitol, Sacramento, California, March 20, 1945
Assemblyman T. Fenton Knight

Vice Chairman of the Legislative Budget Committee

My Dear Assemblyman: Referring to your questions as to the cost of compulsory health insurance as provided for in A.B. 800 and A.B. 449, and secondly, what is the excess of the costs over the taxes proposed in each of the bills, I make the following reply: . . .

First of all, I wish to state that I have not previously made an estimate concerning A.B. 449. I have made an estimate as to the costs of A.B. 800 for the reason that I have been informed that this is the bill which proposes to carry into effect the Governor's recommendation found in his Biennial Message to the Legislature, on page 8; this, I believe, under the provisions of Section 34, Article IV, of the State Constitution requiring a Governor's budget, should have been included in forming the expenditure for the State for the coming biennium. . . .

I have previously estimated that the prepaid medical service, as recommended by the Governor in his biennial address above referred to, in accordance with the Governor's words, "which will bring adequate medical care to the people of our State on a prepaid basis" (page 9 of the Governor's Biennial Message, lines 5 and 6), and as further set forth in A.B. 800, will cost approximately \$100,000,000 a year more than the 3 per cent pay roll tax provided for in this bill. . . .

After carefully examining this bill, A.B. 800, and interpreting the Governor's statement, "adequate medical care to the people of our State on a prepaid basis," I see no reason to change my estimate.

We may hold differences of opinion as to what is adequate medical care, and, in fact, A.B. 800 departs from this term and declares that the purpose of the act is to provide a System of Prepaid Health Service. This, therefore, does not necessarily mean adequate medical care. It does, however, apparently include both medical and hospital costs. . . .

Based upon the present payroll that would be subject to this tax and the number of employees thereof and their dependents who would be covered, and adding to this the cost of administration, and using all available information, I estimate, on a conservative basis, that the annual cost to provide services as set up in A.B. 800 which will bring adequate medical care to those covered, and the cost of administration thereof, will exceed the annual income into the fund from a 3 per cent pay roll tax by at least \$100,000,000.

I wish to point out to you that this is based on the average annual income of those who would be covered, and the cost for adequate medical services, including hospitalization, at prices which are necessary to buy it on an adequate basis under the terms of the bill, on the basis that 100 per cent of the service rendered will be paid for for all of those covered, and at the expense of the State. It is not calculated that the State will expect a doctor, a dentist or a hospital to provide service and not be adequately compensated.

With any decline in our present economic condition with a material reduction in wages, there would be an immediate reduction in the income of the Health Service Fund. This would undoubtedly be accompanied by an increased demand for services, but no comparable decline in the cost of providing such services. Under possible conditions, with a larger percentage of our families having a changed status from two or more persons in a family employed to only one, with a consequent increase in the ratio of dependents to worker, the ratio of demand on the fund to income would be further out of balance.

A careful analysis of A.B. 449 presents a little more difficult problem than an analysis of A.B. 800, for the reason that we have no public statement in the way of an official pronouncement other than what is in the bill to interpret it, as we have in the case of the Governor's statement, which we believe refers to A.B. 800. We are therefore following the established practice of construing the terms of this bill liberally.

The provisions covered under A.B. 449 are, for all practical purposes, approximately the same as in A.B. 800.

The administration expenses, however, are chargeable in their entirety against the General Fund.

The great difference in A.B. 449 is that the payment for all services, with the exception of special medical benefits, hospitalization and laboratory benefits, shall be made on a per capita basis in an amount to be determined by the commission. . . .

The tax to support the costs of the benefits, for all practical purposes, is the same as in A.B. 800. The fact that it applies to another \$1,000 of income—while it makes some difference in the actual dollar receipts—will not make such difference in the percentage increase. About the same people will pay the tax and about the same number of people will be beneficiaries as the number in the \$4,000 to \$5,000 bracket is not large in percentage. About the same medical fees and hospital fees must be paid in order to secure adequate services as in A.B. 800.

There may be less incentive for the doctor to make calls and see patients under A.B. 449. However, to encourage all of the things set forth in A.B. 449, the fees will have to represent a real reward for services rendered.

Considering all of the provisions of this bill, our present economic conditions and the purposes to be secured, it is my opinion that the cost of providing these benefits over the taxes to be collected will show approximately the same deficit as A.B. 800. This is for the reason that, although there may be a smaller demand on this particular fund because the charges for administration and

services rendered by other State departments are not placed on it, the costs are there just the same.

The amount of the deficit in this instance will be influenced somewhat by the number of patients a doctor can and will adequately take care of. If we are willing to accept as adequate medical services the production line system, or a service no better than that they have secured in England under their particular type of socialized medicine, then the annual deficit may be reduced; but if we are to get the kind of medical and hospital service that will satisfy us, the kind that will lead us to believe that each and every one of our dependents and loved ones, in a case of sickness, illness, or accident, will receive the very best care and that we will not live to regret that we did not provide a better service when some loved one passes on, then we will have to pay a sufficient reward to those into whose hands we place the health and even continued existence of ourselves and our dependents. A stipend monthly from the Government can not buy skill, courage, or responsibility when health and life are at stake. It requires adequate reward to compensate, both for success and for taking the risk of failure. Men do not work for monetary reward alone. This has been as true of the medical profession as of any other, and it has brought the development of a high skill and courage. No one, much less the authors of these two bills, in my opinion would wish in any way to reduce the practice of medicine to purely a monetary basis. They must recognize for all practical purposes that the laborer is worthy of his hire, and the fees in both bills must be based on this general principle, else one of the avowed purposes in both bills has not been accomplished.

The foregoing analysis and estimates which I have given you are based on an impartial examination of the two bills you have referred to me. They should not be interpreted by anyone as either advocating or opposing either of these bills or health insurance, or rather, to be more accurate, opposing the procedure of paying in advance, on an insurance basis, the costs of medical and hospital care, which arise in an amount unpredictable for the individual, but which can be actuarially calculated for a large group. . . .

I trust that this will satisfactorily answer your questions, and that you will construe my interpretations of these two bills liberally, and that no one will quibble over these interpretations without being willing to consider the entire matter and the inter-relationship of each and every part with all other parts and with the whole purpose which is provided and expected by the terms of each of these two bills.

Very sincerely yours,

Roland A. Vandergrift, *Legislative Auditor*.

ITEM XII

Health Bill Changes

Assemblyman Albert C. Wollenberg, San Francisco, one of the authors of the Governor's compulsory health insurance bill, said he would offer changes in the bill to provide, more clearly, that the State Health Insurance System administrators could contract with employers or groups of employees to have workers cared for under existing, voluntary health services, if the services provided are equal to standards set up by the State Health Authority.

The State Chamber of Commerce announced opposition to all the compulsory health insurance bills and sought the creation by the Legislature of a representative commission to study the subject. The committee would render a report not later than one year after its appointment by the Governor.—San Francisco *Chronicle*, March 22.

ITEM XIII

Health Insurance

Warren Says "No" to Medical Body's Advice to Drop Fight for His Plan

..Sacramento, March 24.—Governor Warren gave a flat "no" answer to the California Medical Association suggestion he abandon his fight to secure passage by the Legislature of prepaid medical care for the people of the State under a system of compulsory health insurance.

The Governor's statement was made to reporters today

as a result of a move by the doctors opposing compulsory health insurance to have Warren attend a meeting of the trustees of the California Physicians' Service and discuss the C.M.A. program for voluntary health insurance legislation.

In their request to the Governor, the doctors made it clear they wished to discuss the health insurance issue on their own terms, namely that they would not compromise on their position against compulsory health insurance.

Meet April 7

Dr. T. Henshaw Kelly, San Francisco, secretary of the California Physicians' Service, a voluntary health plan group, extended the invitation to the Governor to meet April 7 here with the trustees of the organization.

At the same time it was announced by Clem Whitaker, manager of the doctors' fight against the Governor's health insurance program that Dr. Ray Lyman Wilbur, president of C.P.S., had written Warren a letter regarding the suggested meeting here.

"The doctors are asking me to abandon my efforts to secure for the people of the State a system of prepaid medical care," said the Governor.

Warren said the Wilbur letter in effect was a suggestion "we should turn the health problem of our State over to C.P.S. which is, of course, the brainchild of C.M.A."

Looks at Record

Then Warren looked at the record.

"C.M.A., speaking through its president (Dr. Lowell Goin), denies there is any lack of medical care under our system," said the Governor. He produced a report of a February speech of Dr. Goin at Santa Barbara in which he said: "If there has been a lack of medical care it has been due to superstition, religion, fear or procrastination."

"The idea of turning our medical care problem over to C.P.S. is getting to be perennial," said Warren, calling attention to a move along that line in 1939, a year after C.P.S. was organized.

The Governor said he believed the Legislature had taken to the idea "on representation of C.M.A. that it would solve our problem for us." He said compulsory health insurance had been defeated in 1939, but C.P.S. had "not solved the problem of medical care." The Governor estimated that "not more than 100,000 people are in C.P.S. at this time."

Warren said when his own recommendations for enactment of compulsory health insurance were made "there were three of the major counties of the State in which the doctors refused to cooperate with C.P.S. In some places, it has completely broken down."

Warren told of his own willingness to discuss the problem with the doctors and of a conference with Dr. Philip Gilman, president-elect of C.M.A., last fall. He said he had been "encouraged to believe" by the executive committee of C.M.A., at a meeting sometime back "that there was a common ground on which those favoring health insurance could meet."

Violent Opposition

Warren said the House of Delegates, governing body of C.M.A., however had come out "in violent opposition to any compulsory health insurance program."

"Not one friendly suggestion has been made to solve this most serious of all public questions by C.M.A.," declared Warren. He said he had presented his program "in good faith" but indicated there seemed to be doubt as to the sincerity of the C.M.A. leaders in pushing their voluntary health insurance bill.

"All we meet is bitterness," said the Governor, "and the complaint is made that this is compulsion and therefore the doctors are opposed to it."

The Governor read from an official U. S. Senate on education and labor committee report showing that Dr. Kelly, one of those actively opposing the Warren program now had indicated a different position in testimony at Washington last September.

Warren quoted Kelly's testimony as follows: "We have to be realistic about this (adequate medical care) and in spite of what some of my friends think and what I am emotionally, you will never get care for all the people unless you make them take it, which means some form of compulsion—whether we are ready for that I do not know."

Answering C.M.A. arguments that compulsory health insurance represented an alien philosophy—born in Germany and destructive of the American concept of Government, Warren cited testimony of Dr. Kelly before the U. S. Senate committee in which the San Franciscan told of the recommendations of a California Senate committee in 1935 that compulsory health insurance be enacted in the State.

Reading from the record, Warren quoted Kelly as stating the 1935 bill had the "approval of the house of delegates of C.M.A., and that the bill was written in collaboration with a special committee of the C.M.A."

Defeated in End

"The proposed act," Kelly testified, according to the record, "underwent startling changes at the hands of the Senate and Assembly and in the end was overwhelmingly defeated, almost all special interests opposing it."

The Governor said his own office was "open" and that he would be glad to talk with the doctors. But he added he believed it was "unfair" for the doctors to put the stamp of alien philosophy on compulsory health insurance "when C.M.A. itself advocated such a bill in the Legislature in 1935 and when the manager of C.P.S. testified in the last six months nothing short of compulsory health insurance could solve the problem."

The Governor said he did not believe that either Dr. Wilbur or the C.M.A. would say that the C.M.A. bill would "solve this problem."

Curiously, the C.M.A. bill now has been amended to take in the chiropractors if any group of persons under a voluntary program wants to engage their services under the terms of the measure.—*San Francisco Chronicle*, March 25.

ITEM XIV

Health Plan Backers Testify

Payroll Tax of 3 Per Cent Sufficient

Sacramento, March 27.—A 3 per cent payroll tax would be adequate to finance California's proposed compulsory health insurance program, according to testimony by witnesses before the Assembly Public Health Committee today.

Nathan Sinai, doctor of public health, University of Michigan, here at the invitation of Governor Warren, opened the bitter tussle in the Legislature over the health insurance measures.

At times more heat than light resulted from the barrage of questions fired at Dr. Sinai by committee members, many of whom indicated hostility to any compulsory health insurance program.

Before Dr. Samuel May of the University of California faculty took the stand to testify in behalf of the Thomas bill, sponsored by the C.I.O., Sinai, a witness for the Warren bill, was subjected to a cross-fire of questions which almost turned the hearing into a forum to discredit the University of Michigan expert rather than to obtain information on compulsory health insurance.

Background Attacked

Ben Read, legislative representative for the California

Public Health League, passed around a copy of Who's Who in America to give some of the committee members material for questioning Sinai, a native of Stockton.

Assemblyman Sam Collins, who is principal author on the C.M.A. voluntary health insurance bill, developed the fact for the record that Sinai received his first degree in veterinary medicine, later went into the public health and received various degrees in that field.

Dr. Sinai's record was right smack in Who's Who for everyone to read but much ado was made over the fact that the Governor's principal witness had not practiced medicine.

Then a dispute ensued over who had paid Dr. Sinai's expenses. It developed that the Governor, casting about for someone who had made a study of compulsory health insurance, heard of Dr. Sinai from Dr. Ernest Sloman, San Francisco, president of the State Dentists organization.

Witness' Expenses

William F. Sweigert, one of the Governor's secretaries, told the committee he was authorized to say by Warren that "none of the expenses of Dr. Sinai will be paid out of any funds appropriated to the Governor's office."

In addition, the Governor, according to Sweigert, said "he personally would pay the expenses if necessary."

Rolland Vandegrift, Legislative Auditor, was called upon to cross-examine Dr. Sinai on the latter's figures. Although no policy on compulsory health insurance has as yet been enunciated by the Legislature, Vandegrift bored into the fray with all the fervor of one antagonistic to compulsory health insurance.

Dr. Sinai referred some of the Vandegrift queries to T. H. Mugford of the California Employment Stabilization Committee. Mugford estimated, on a basis of the 1943 unemployment, coverage of 5,672,000 persons would be provided under the Governor's bill. He said the payroll deductions would have amounted to \$175,000.00.

Estimate of Cost Given

This, he estimated, would make available for health insurance \$30.85 per person to be included under the system proposed. He likewise estimated that the postwar employment would probably make available for insurance needs \$27.50 as an average.

Dr. Sinai said he believed that a maximum of \$26.50 would be required to meet costs under the proposed Warren program.

The witness gave a detailed statement of all factors involved in the compulsory health program, as he viewed them. He declared the costs of the system could be met from payroll deductions, describing the plan "as feasible, adequate and equitable."

Dr. May arrived at the same conclusions. He characterized Vandegrift's estimates of a \$100,000,000 annual deficit under the health insurance programs as absurd and exaggerated.

His Views Have Changed

Before Dr. Sinai left the witness stand he said he had written a book some years ago which expressed ideas widely at variance with his present position. He said he had changed his views after prolonged study of the health insurance question.

Ben Berkov of the California citizens committee supporting the Thomas bill, reviewed the terms of that measure at the night session of the committee.

Dr. Alison R. Kilgore, San Francisco, was the first witness for the opponents of compulsory health insurance. He declared that from 128,000 to 130,000 persons had joined the Voluntary California Physicians' Service. He predicted that enactment of compulsory health insurance at this time would result in a breakdown of medical care in California if the war continued. He asked that action

on the issue be postponed until the 3,000 doctors and 800,000 service men and women had returned home.

Dr. Kilgore quoted from a 1932 book by Dr. Sinai in which the principal witness for the Governor's bill stated compulsory health insurance in other countries had not reduced the amount of sickness. The witness made the point that Dr. Sinai "is not a doctor of medicine."

Other Opponents

Other witnesses listed by the C.M.A. group as against the compulsory health measures included Pat Merrick, State Chamber of Commerce; William Queale, Fresno; Ronald Ketcham, Los Angeles Chamber of Commerce; Calvin Deming, Agricultural Council; George Shallenberger, Merchants' and Manufacturers' Association; Marvin Greathouse, San Francisco; Dr. Clifford Loos, Los Angeles, and others.

Because of the importance of the hearing, the Assembly adjourned until tomorrow morning after a postponement of the contest over the Governor's State tax cut recommendations. Administration forces, still shy of the necessary votes to prevent approval of the \$57,000,000 subsidy of State funds to the local political subdivisions, decided against asking the Assembly to reconsider its action of Friday. At that time, the subsidy supporters earmarked the big grant of State funds for local communities over the protest of the Governor.

Assemblyman Harrison W. Call, Redwood City, asked that the reconsideration be dropped. Thus the next move will be made when the bill comes back for final action. An amendment to remove all earmarking provisions of the amended Fourt bill and keep it as a clear tax cut measure with no strings attached, either for the State or the cities, is in the offing as a counter proposal to the League of Cities, County Supervisors, Associated General Contractors' scheme to turn the funds over to Mayors, Councilmen and Supervisors.

Biggest event of the day was the commencement of the real action on the compulsory health bills.

Assemblyman Albert C. Wollenberg, San Francisco, who is handling the Governor's bill explained the provisions of the measure to the legislators and a crowd of listeners.

Dr. Sinai's testimony was the highlight of the hearing. —Earl C. Behrens, in *San Francisco Chronicle*, March 28.

ITEM XV

Health Plan Delay of Two Years Sought

Senator Proposes Issue Be Placed Before Voters

Examiner Bureau, Sacramento, March 28.—A proposed constitutional amendment which would block all further action on compulsory health insurance for at least two years, was introduced late today by Senator Ed Fletcher, San Diego, Republican, as the latest move in this hotly controversial legislative issue.

Declaring action should not be taken on health insurance while a million or more Californians and some 3,000 physicians from this State are in the armed service, Fletcher said it was "only fair" to take a "reasonable period" of time for thorough study of the question.

A two-thirds vote by both Senate and Assembly is required to place the proposed amendment on the ballot.

Two Year Postponement

Fletcher declared:

"This constitutional amendment cannot be voted on until two years hence, and this will give us plenty of time to thoroughly study the question and give our absent physicians and citizens in the armed services an opportunity to express themselves."

The proposed constitutional amendment would be submitted at the November general election in 1946. If adopted, it would constitute a declaration of policy bind-

ing upon the Legislature. The Governor has no power to veto such an amendment. It goes direct to the people.

The amendment reads:

"It is the policy of the State that a prepaid health service system for the people be created and maintained. The Legislature is authorized and directed to provide therefor by law in any manner not expressly prohibited by the provisions of this constitution."

As the amendment could not be adopted until late 1946, the legislature could not begin drafting a public health insurance system until the regular 1947 session, it was pointed out. Fletcher's plan is expected to gain support in the upper house.

In the Assembly, meanwhile, the public health committee prepared to resume public hearing next Tuesday.

Chief Amendments

Chief administration amendments were introduced by Assemblyman Albert C. Wollenberg, principal author of A. B. 800. They provide:

1. For increasing the proposed employer-employee contribution of 1½ per cent each to a salary maximum of \$5,000 annually instead of \$4,000.

2. For payment of a cash indemnity, rather than medical and hospital services, to those earning \$5,000 or more.

The original bill provided that doctors in the State system could not charge their patients more than the fee fixed for any specific service. The new amendment would give to those earning \$5,000 a year or more a cash reimbursement equal to the fee set for the particular service involved.

A patient desiring to pay for the services of a more expensive doctor, for example, would receive \$50 in State funds for a particular operation and could use this as part payment of the doctor's higher fees. Wollenberg said only 7 per cent of the State's population is earning more than \$5,000, leaving 93 per cent of those in covered employment still subject to the original provisions.—*San Francisco Examiner*, March 29.

ITEM XVI

C.I.O. Makes Two Changes in Health Bill

Sacramento, March 28.—(A.P.)—The C.I.O. announced revision of its health insurance bill today, in the wake of a nine-hour hearing by the Assembly Public Health Committee lasting until midnight last night.

Chief changes in the C.I.O.-Thomas bill permits Christian Scientists and other persons who may object on religious grounds to exempt themselves from coverage and contributions. There is a similar provision in the Governor's bill.

Another change deletes the provision for a State appropriation for administrative costs and puts it in a separate bill, to provide \$15,000,000.

Payment for general services is continued on a capitation basis but, through amendment, doctors or groups of doctors would be permitted to choose fee-for-service, the per capita method or a straight salary for certain special services. The Warren bill gives the proposed Health Insurance Commission discretion to use any method.

The changes serve to bring closer together the C.I.O. bill and the administrative measure.—*San Francisco Chronicle*, March 29.

ITEM XVII

How "Panel System" Compulsory Sickness Insurance Was Practiced in Great Britain

(copy)

26 March 1945.

California Medical Association, Addressed.

Replying to your letter concerning panel practice in Great Britain:

My father was a panel doctor in Dublin. My uncle

was a panel doctor in London. I lived with and practiced with both physicians and am thoroughly familiar with the superficial, hit-and-miss nature of panel practice.

While my own relatives did not indulge in such practices, it was well-known that many doctors kept three types of bottle in their offices, a cough bottle, a mixture for stomach trouble, and a mixture for rheumatism.

Patients were not undressed or examined. There was no time for such. Their symptoms were listened to briefly and then one or other of the three bottles was prescribed for them.

The examination and prescribing took perhaps two or three minutes; the filling out of the health insurance forms, reports, summaries, etc., took perhaps five or six minutes per case.

I forwarded a little article I saw in an eastern medical journal last month and he had it published in the Bulletin. It is as good a summary of panel practice as you could want.

Panel medicine is merely a superficial, incomplete type of general practitioner service so far removed from the type of medical care that the average American citizen is accustomed to, that it is to be doubted if it would last for three months over here. The only reason at all that it gets by, is the well-known fact that 70 per cent of ailments are not of an organic nature.

Yours sincerely,

(Signed) (MEMBER OF C.M.A.)

ITEM XVIII

How "Krankenkassen" Compulsory Sickness Insurance Was Practiced in Germany

(COPY)

March 30, 1945.

California Medical Association,
450 Sutter Street,
San Francisco 8, California.

Replying to Your: Legislative News No. 3

Gentlemen:

I practiced in Berlin under the Krankenkassen system from 1910 to 1936, and am one of those doctors who, from own experience, believe that this system was ruinous to the medical profession and medical art in Germany. To answer your questions:

1. Restrictions placed on the doctors:

The pay was miserable. The office call was worth the equivalent of 8 to 30 cents, other services in proportion.

To make a decent living from Krankenkassen practice a doctor had to see a great number of patients a day which precluded thoroughness. There were champions who saw several hundred patients a day, owing this business not so much to their medical qualities as to their human skill in making themselves well liked with patients, as well as with the administrations of the Krankenkassen.

During some years it was tried to curb this champion system with a method of making the fees progressively lower with an increased number of patients. This method was abandoned because it was found to be no more dignified than the champion system.

Prescriptions.—They were limited for financial reasons. Expensive preparations, particularly those with patented names were forbidden, and replaced by "Ersatz" preparations, mostly in the form of ready tablets. The art of individually compounded prescriptions was almost forgotten. The amount to be prescribed was rigidly limited.

A book of 250 pages containing the allowed prescriptions in streamlined form, with prices, was on every doctor's desk and constantly used for looking up the allowed prescription in the presence of the patient. This mechanical practice caused many distrustful and sarcastic remarks. I still have this book and shall be glad to let you

have it if it is of interest for you. The introduction of preparations into this book often seemed to be due not to their medical values but to the salesmanship of their makers.

If the price of a prescription exceeded the allowed one, the difference was charged to the doctor. Moreover, the total cost of prescriptions during a period of time was limited by the so-called "Regelbetrag," a statistically computed average for any group of doctors. If the sum of otherwise correct prescriptions exceeded this amount, the difference was charged to the doctor.

Expensive diagnostic and therapeutic procedures, as x-rays, laboratory work, physiotherapy, etc., had to be applied for in writing to the administration. The OK's were often limited and inadequate. Many of these procedures were not allowed to be carried out by the prescribing doctor (who was suspected to take financial advantage of them) but had to be referred to Institutes which were run by the Krankenkassen themselves, in a wholesale or assembly line manner. The Krankenkassen did not deny that their Institutes were operated in competition with the doctors.

Paper Work of Physicians.—A terrible bother was the writing out of numerous slips, records, prescriptions, reports, etc., which was very much in excess of what is done in private practice. Much of the short time available for each patient was taken up by paper work before the doctor could even take a look at the patient.

Few doctors could afford a secretary for this work.

2. Supervision:

The most serious source of irritation and depression was the overbearing attitude of the administrative organs, the *non-medical* bosses, who treated the doctors with purposeful humiliation. For example, extra fees for night calls applied only for the hours 10 p.m. to 6 a.m., which meant that a *16 hour working day was taken for granted* and a doctor's time of rest was not sufficiently respected.

When deductions from the pay (s. above) were made, which occurred with almost every check, no reason for the deduction was given. The doctor was not esteemed to be given an account. He could ask for information and even apply for rectification, but this procedure was made so unpleasant and time-consuming that rarely a doctor made use of it. He let it go and took the unnamed deduction for granted.

Some doctors learned to be good politicians in order to get along with the administration.

If a doctor had to deny a patient a prescription or a treatment because it was too expensive, he was not allowed to tell the patient this reason or to say that it was not permitted. He was compelled to explain to the patient that the treatment in question was not indicated (so-called "muzzle paragraph"). Any direct or implied criticism on the Krankenkassen was prohibited under severe penalties.

Any attitude of the doctor which could be construed as a violation of respect of the administration could lead to exclusion from Krankenkassen practice.

The doctor had not the right to refuse a patient. In exceptional cases he could complain to the administration about a patient. This happened rarely; the doctors served drudgingly. On the other hand, complaints of patients against doctors were not infrequent and were feared by many doctors.

The name "*compulsory health insurance*" was mostly justified by the fact that the *bulk of the compulsion was directed against the doctors*.

3. Overhead expenses:

They were very high compared with the funds for the doctors. I do not recall figures, but I believe to remember that the expenses for administration were about equal to the funds used for doctors' fees, if not higher.

4. Background of the German "Krankenkassen System":

For the understanding of the German system it is important to remember the political and psychological backgrounds of it.

At the time around 1880 Bismarck and his class were very much afraid of the rising tide of socialism. Along with treating the working people harshly they wanted to give them a pacifier and invented for this purpose the social insurance. The Prussian aristocratic rulers had no qualms to sacrifice the medical profession for their political purpose. Out of a deep-seated superstitious prejudice (another manifestation of which was their anti-semitism) they feared and hated physicians and looked down on them condescendingly.

On the other hand, in the education and social position of the medical men *charity* was much more stressed than healthy self-assertion, so that it could easily be made a pretext for exploitation.

The Krankenkassen were given self-rule ("Selbstverwaltung") and were administered by men who were more or less leaders in the socialist movement. They saw in the doctors' members of the capitalist or bourgeois class and, being the employers of the doctors, made them a target of their political resentment.

German medicine was caught between two political millstones. With the gradual extension of the system over increasing parts of the population and corresponding elimination of private practice the medical profession became progressively enslaved and impoverished.

I was for many years an officer of several medical societies and a member of the Arztekammer (Chamber of Physicians) in Berlin and had personal knowledge of quite a number of cases of doctors who died penniless and left their families to the charity of the professional organizations.

Very sincerely yours,
(Signed) (MEMBER OF C.M.A.)

ITEM XIX

Health Plan Checked

Two-Year Delay Urged on State Health Plans

Examiner Bureau, Sacramento, April 3.—Seven assemblymen, comprising a majority of the committee on public health, have signed a report recommending in effect against the enactment of any health insurance legislation at this session, it was announced today by Assemblyman Fred H. Kraft, committee chairman.

The same seven who signed the report late tonight voted "no" on motions to report out the two major bills with a "do pass" recommendation. While this was not equivalent to tabling the bills, it has the same practical effect, leaving them still the property of the committee.

Two-Year Study

Kraft said the majority of the thirteen man committee favors appointment of an assembly interim committee, adequately financed, which will make a two-year investigation of all phases of health insurance, both compulsory and voluntary, and report back to the Legislature in 1947.

If the assembly accepts the committee recommendation as it now stands, Governor Earl Warren's compulsory prepaid medical care program and a dozen other health plans, have no chance for passage this year.

The action of the committee is by no means final, however, and Kraft's announcement came as a surprise to Assemblyman Albert C. Wollenberg, principal author of the administration sponsored health insurance plan.

"It was no secret to us that the public health committee has a majority unfriendly to compulsory health insurance," Wollenberg said.

Vote Asked Now

"The Legislature of California has been investigating health insurance for thirty years. We do not need any more investigation. What we need is a Legislature that will meet its responsibility by voting on the health insurance bills now before it.

"I shall fight for a vote on the floor of this house."

When the committee report is filed, Wollenberg explained, the assembly has the option of accepting or rejecting it. Also under consideration is a move to take the health insurance measures completely out of the hands of the committee. This could be done by a mere majority vote of the assembly, and is a recourse frequently adopted when the members feel that a measure is not getting fair treatment.

Coalition Seen

The Democrats, it was pointed out, have strongly endorsed the principle of compulsory health insurance. If the fight is taken to the floor on a question of pulling the bill out of committee, many observers believe that a coalition of Republican and Democratic supporters of health insurance might succeed in overriding the recommendation of the Kraft group for a two-year delay.

Voting with Kraft, San Diego Republican, to defer action for two years, were:

Republicans: John F. Thompson, San Jose; Richard McCollister, Mill Valley; C. Don Field, Glendale; Sam L. Collins, Fullerton.

Democrats: John W. Evans, Los Angeles; Fred Emlay, Salinas.

Kraft's announcement was made as his committee began a final hearing today at which sponsors and opponents of the controversial measure were heard. In view of the fact that the committee's attitude was already known, today's hearing was something of an anticlimax.

The majority report of the committee stated there is "deep seated disagreement" on every phase of health insurance. It declared:

"To embark on any scheme of compulsory health insurance would be a revolutionary change in the field of medical care, with far reaching consequences, both as to the future quality and standards of medical service and the way of life of our people, which cannot be planned or directed in advance."

Deficits Likely

Holding that it is impossible to anticipate the costs of such an insurance program, the report found that the plan "may result in large annual deficits that would require resort to the general fund or result in insolvency or failure of the program."

Doctors Ready to "Call Bluff"

The California Medical Association through its executive secretary, John Hunton, declared tonight that it is ready to "call the bluff" of those who are trying to convince the public and the Legislature that some form of compulsory Government health insurance is inevitable.

"There is no concerted movement in Washington today to get action on a Federal plan of compulsory medicine," Hunton said before the assembly public health committee. "Both sides to the argument have decided that winning the war comes first.

"Then you have been told that if the Legislature fails to enact a compulsory health insurance program, that the C.I.O. will initiate an act and place it before the people at the next general election.

"I think it is about time we called that bluff.

"If the C.I.O. wants to submit this measure to the people, then by all means let them get at it. The doctors of California are ready to accept that challenge, and we have complete confidence that the voters of California will reject State medicine by an overwhelming majority."

The C.M.A. also presented results of a Statewide poll taken by John B. Knight, of California Associates, a public survey organization with headquarters in Los Angeles, showing that only 26.1 per cent of California citizens would go to State panel doctors, and that 73.7 per cent of the citizens would not use the State system but would continue to depend upon private physicians for medical attention.—San Francisco *Examiner*, April 4.

ITEM XX

An A. F. of L. Publication Gives Labor's Viewpoint on Compulsory Sickness Legislation.

(Courtesy of National Physicians Committee)

(COPY)

THE LABOR UNION

The ONLY Labor Newspaper in Dayton
Mail-Delivered With Paid Circulation

Owned and Published by the Organized Workers, through the Central Labor Union, affiliated with the American Federation of Labor.

OPERATED ON A NON-PROFIT BASIS

Issued every Friday by National Newspapers Corp.,
211 S. Ludlow St., Dayton, O., AD-4203

* * *

Editorial

THE LABOR VIEWPOINT

Dangerous legislation.

Some of it is dangerous to one class of individuals and some of it is dangerous to another group, but now here comes proposed legislation which is dangerous to all alike.

This is legislation which editorial writers the country over are opposing, and while there are a few good features in the new Wagner Bill—aimed at socializing medicine—few if any of the leading writers can find sufficient good in the Bill to commend it to the public.

"It is doubtful if any legislation has been proposed for Congress that is quite as vicious and deceptive, or that could be more destructive of both human freedom and human self-respect than the new social security bill offered by Senator Robert F. Wagner, of New York City," says an editorial in the Shreveport (La.) Times.

The Times editorial points out that the purpose of this Senate Bill 1161 is its use as a means of enacting into federal law the proposal of President Roosevelt for expansion of that phase of bureaucratic activity of the government.

The bill would add \$12,000,000,000 a year to the taxes of the public, with one-half of it placed directly on the payroll workers.

Under the present system of handling social security that tax money would be available for any government spending, which would mean that in the future years new taxes would have to be imposed to pay the obligations of the social security taxes spent for other purposes.

What this plan proposes for the United States is exactly what Mussolini tried for Italy and what Hitler has been trying to put over in Germany.

What the Congressmen backing this plan are asking the free people of the United States to do is to follow the course that helped put Italy into Mussolini's slavery and then destroyed the people of the nation.

It is a potential final spearhead by which bureaucracy could destroy democracy, freedom and self-respect among American people as a whole.

What this medical proposal really means is the abandoning of the private practice of medicine and in the end placing medical aid, care and attention under politically selected and approved doctors, druggists, nurses and hospitals.

The right of the citizen to pick his own doctor would be wiped out in the end.

Of course the bill does not in so many words abolish private medical practice as such.

But it makes private medical practice impossible economically, and undesirable from any standpoint.

Under this plan, the American citizen would find that whenever sickness came he would be herded before federal doctors, in federal clinics or federal hospitals, and given mass federal treatment.

Instead of improved public health, such a plan could only in the end destroy it.

Instead of profiting through "government-paid" medical attention, the citizen would find himself a political pauper from the standpoint of health, paying in taxes perhaps \$100 for every \$25 worth of so-called "service" received.

What the American public, and particularly the laboring class, should clearly understand is that this plan is not simply a blow aimed at the medical profession, but part of a huge armored force attack which is battering the whole front of freedom, initiative, enterprise, liberty and self-respect for all of the American people.

Fascism, dictatorship, Naziism, Communism or any other "ism" could not come into the United States by one fell swoop—by any overnight governmental action.

Designers of such radical governmental changes move slowly with caution; they build their house stone by stone so that no one step attracts too much attention.

Suddenly it is found that an entire new structure is completed.

It is too late then for Liberty and Freedom to act.

Every step taken, every stone laid, was done in the guise of "helping" some citizen group, of putting money into its pocket, or of making unnecessary the removal of money.

Actually such programs form one gigantic steal of the citizen's money as well as of his decency, liberty and self-respect.

The bureaucrats insist their political medicine is to build up public health when all it could do would be to build up the politicians and their power.

It is simply one of many similar steps to destroy initiative in one group as similar steps are taken with other groups.

If the medical profession can be destroyed, so can the legal profession, engineering, school teaching, or any other.

There is no problem so needing solution as that of top-grade medical attention for those who cannot pay top prices.

But taxing the workers thousands of dollars to be spent by some medical dictator set up by bureaucrats is no solution.

At a time when medical science is performing seeming miracles in the discovery and application of new healing agents and operating techniques, and while thousands of American doctors are away in the armed forces serving America and all mankind, along comes this proposal to socialize medicine, as part of a broad scheme to provide "security" for the general public.

The Constitution of the United States gives every man the right to "his day in court," before he can be "counted out" of circulation with his fellow men, although he may be known to be a criminal. But is the medical profession of America being given its "day in court"?

Those members of the medical profession who are risking their own lives on the far-flung battle fronts of the world in behalf of your fathers, sons or sweethearts

—yes, and of thousands and thousands of the womanhood of America, since women are now in every branch of the service—do not have the time nor opportunity to protect themselves from this “stab-in-the-back,” which the Wagner bill undoubtedly is.

The small force of physicians and doctors left in the United States to look after all the millions of war workers and to try to keep the nation in as healthy a condition as possible, are little if any better off than those outside our shores with regards to time to look after their own welfare and the protection of their profession.

Thus it behooves every worker to do all possible to protect his own interests and those of his doctor by fighting this dangerous Wagner Bill, which is Senate Bill 1161. Let your Senator and Representative in Congress know that you want this bill defeated.

COMMITTEE ON PUBLIC POLICY AND LEGISLATION

A. F. of L. Decries Concentration of Power in Washington

The views of the American Federation of Labor on this subject are most forcefully expressed in a statement issued by a group of its leaders on February 4, 1940, from which I quote:

“One of the great drags upon industry during the past seven years has been the burden of taxation that has been imposed upon big and little business. There are literally thousands of industrial and commercial concerns which have been forced into red figures by the taxes which have been imposed on flagging business.

“With money taxed or borrowed from the people the Federal Government has set up a multitude of public and semi-public corporations, which have gone into the States to weaken the authority and the financial soundness of the States.

“In many of these instances the Federal corporations and agencies have gone far beyond the intention of the authority which was granted to them by the Congress. But steadily and surely they have undermined the sharp line between State and Federal authority to increase the concentration of power in Washington.

“As labor and industry survey what has happened to labor and industry in those lands where all powers have been concentrated in the central authority, they fear and oppose the steps which thus far have been taken here, to enlarge the dominion of the Federal Government over the lives and fortunes of the American people.

“It is not a problem for labor alone, or industry and agriculture alone. It is a problem which must be solved by an awakened citizenship. It is a problem to be discussed at every fireside, to be dealt with by every publicist, to be prayerfully considered by those Americans who this year will be called upon to draft the platforms of both political parties.

“The hour has come for Americans to recognize the dangers that confront them, and to join in a united effort to halt the drift toward national insolvency and industrial collapse, and to extend opportunity for the Americans of today and tomorrow.”—Robert B. Dresser in *The Railroad Workers Journal*.

The first to write specially on the study of the urine, its color, consistence, and the prognosis to be drawn from it, was Theophilus (610-641), surnamed “*Protospatharios*,” a title originally given to the colonels of the bodyguard of the Emperor at Constantinople.

COMMITTEE ON HOSPITALS, DISPENSARIES AND CLINICS

Proposed Plans for the Three Blue Cross Hospitalization Groups of California

(COPY)

Association of California Hospitals

1182 Market Street, San Francisco 2, Calif.

San Francisco, March 3, 1945.

Mr. H. E. Heerman, Chairman,
Board of Directors,
Hospital Service of Southern California.

H. Gordon MacLean, M.D., Chairman,
Board of Directors,
Hospital Service of California.

Mr. J. D. Stephens, Chairman,
Board of Directors,
Intercoast Hospitalization Insurance Association,
Addressed.

Gentlemen:

Attached hereto is a copy of report of the Committee of Three to the Board of Trustees, Association of California Hospitals.

This report was unanimously approved and the committee was given full power to act under the provisions of this report.

Since the initiation of Mr. Williamson's work depends entirely upon the agreement of the officials of the existing Blue Cross plans, we request that you call emergency meetings of your governing bodies and approve a formula for a statewide Blue Cross plan.

Cordially yours,

J. V. BUCK, *Chairman*,
Committee of Three,
Association of California Hospitals.

• • •

(COPY)

San Francisco, March 3, 1945.

To: The Board of Trustees,
Association of California Hospitals.

From: The Committee of Three.

Your Committee has taken the following action and makes the following recommendations:

(a) The Committee has employed Mr. Kenneth Williamson, secretary to the Council on Association Development, American Hospital Association, Chicago, to act as field representative in securing legal agreements of hospitals participating in Blue Cross plans, whereby said hospitals accept financial responsibility in Blue Cross management and control of Blue Cross plans. He will work during the month of April. Salary, \$750.00 per month with all living and transportation expenses paid by the Association of California Hospitals.

(b) The Committee proposes to the Blue Cross plans the following procedures:

1. Legal representatives and Blue Cross boards of control immediately agree on legal basis of merger. The two immediate objectives are:

(a) That hospitals serving Blue Cross patients legally agree to become financially responsible for Blue Cross plans. This does not mean that additional subscriptions to operating surpluses or re-

serves are necessary. It does mean that the participating hospitals will become financially responsible for future operations of Blue Cross plans.

(b) That the participating hospitals shall elect a board of control in conformity with the recommendations of standards set up by the Blue Cross Plan Commission; the essential factor being election by participating hospitals of board of control for Blue Cross plans, one-third of the members of which represent the participating hospitals, one-third the medical profession, and one-third the public. As a basis of allocation of representation on board of control of the Statewide Blue Cross plan, it is recommended that such representation be equally divided between the two sections of the State north of the Tehachapi Mountains and that to the south.

It is recommended that all details of operation of the Statewide Blue Cross plan, such as method of payment for Blue Cross hospitalization, etc., be subject to the decisions of the board of control, as constituted under recommendations made in section (b).

Your Committee of Three recommends to the Board of Trustees the approval of the above actions and recommendations of the committee.

COMMITTEE OF THREE OF ASSOCIATION OF
CALIFORNIA HOSPITALS,

(by) J. V. BUCK, *Chairman*,
A. E. MAFFLY,
WILLIAM P. BUTLER,
A. A. AITA, *ex officio*.

Action on the above: The trustees of the Association of California Hospitals approved the recommendations submitted by the Committee of Three.

Curriculum for Medical Technicians, University of California.—The need and demand for well trained personnel for service as medical technicians has led the University of California to establish a four-year (eight-semester) curriculum in this field, leading to a Bachelor of Science degree through the School of Public Health in coöperation with the University Medical School. Instruction will be offered on the Berkeley campus with the exception of the final semester which will be given on the San Francisco campus.

Inquiries regarding details of this curriculum may be addressed to Dr. Walter H. Brown, Acting Dean, School of Public Health, 3583 Life Sciences Building, University of California, Berkeley 4, California.

**Kaiser Permanente Foundation Hospital Has
New Family Health Plan**

The San Francisco *News* for March 19 carried an interesting story concerning the Permanente Foundation Hospital in Oakland. Excerpts follow:

Details of a new family health plan, in effect at the Kaiser shipyards, providing for medical and hospital care for worker, wife and minor children, have been announced by Dr. Sidney Garfield, director of the Permanente Hospital Foundation.

The family plan supplements the employee health plan—which covers individual employees only—but does not displace it.

Before the family plan was effected, an employee paid 50 cents weekly for his personal coverage. Now, for an additional 75 cents weekly, his wife is provided for, and the cost to the employee for child coverage is 50 cents for one child and \$1 for two or more children. Thus the maximum cost, irrespective of the number of minor children, is \$2.25 a week per family.

The family plan is open only to shipyard employees

who hold the gold anchor pin—those with 18 months of employment with a clear record—and executives and others who are exempt from punching timeclocks.

"Our only regret is that we cannot make it available to all our employees at this time," said C. D. Bedford, vice president and general manager in Richmond. "We hope to arrange medical and hospital facilities to accommodate the families of every shipyard employee in the near future."

For the time being, employees and their families are being enrolled without physical examination. After 30 days, examinations will be required. If one member of a family is rejected after examination, all other members remain eligible.

Individual employees not eligible for the family benefits will continue to be covered for 50 cents weekly, and an employee in this category may obtain obstetrical services for his wife for a \$200 fee—including pre- and post-natal care, medicines, use of delivery room, doctors, nurses, hospitalization, maternity ward, and care of the infant during confinement.

Subscribers to the family plan receive this service for an additional charge of \$60.

During the period of the "national emergency," a charge of \$2 will be made to families for home calls by doctors, but home calls by Permanente visiting nurses will be free.

Ambulance service is provided within a radius of 30 miles from the Richmond or Oakland hospitals.

Diseases and illnesses excluded under the plan include those for which the member is entitled to compensation under State or Federal compensation laws, mental illness, attempts at suicide, tuberculosis, diseases requiring isolation and diseases that become epidemic, and diseases or hurts resulting from "the public enemy or major disasters."

Dental work—save for diagnostic use of the X-ray is excluded.

The plan is wholly voluntary, and payment made by payroll deduction.—San Francisco *News*, March 19.

Immune Serum Globulin: Its Use for Measles

An announcement has just been issued by the American Red Cross that immune serum globulin (gamma globulin) for the prophylaxis, modification and treatment of measles is now available for the civilian population without charge. The American Red Cross has funds appropriated, enabling the organization to meet the entire cost of processing and delivering this globulin to State Health Departments, so that the excess over the needs of the armed forces may be given back to the American people who have made it available through the American Red Cross Blood Donor Service.

As long as their present stock lasts, we shall be supplied on the following conditions:

1. That the product will be used for the prophylaxis, modification and treatment of measles.
2. That it will be distributed without charge to physicians, hospitals, and clinics in accordance with applicable laws and regulations.
3. That it will be administered in accordance with established standards and without any charge to the patient for the product.

The State Department of Public Health has a supply of this product on hand. In making request for literature or placing your order, please address it to:

State Department of Public Health,
Bureau of Acute Communicable Diseases,
1122 Phelan Bldg., 760 Market Street,
San Francisco 2, California.

CALIFORNIA MEDICAL ASSOCIATION

REPORTS OF GENERAL OFFICERS, C.M.A. COMMITTEES AND COMPONENT COUNTY MEDICAL SOCIETIES

FOR CALENDAR YEAR, 1944

(For Index of Reports, See Page 234)

FOREWORD.—The official reports which follow will be presented at the coming session of the House of Delegates.

Delegates, therefore, are urged to familiarize themselves with their contents.

Members, likewise, are requested to become familiar with the recommendations in these reports, and to discuss them with other members and delegates.

Through such coöperation, action that will be in line with majority opinion, is more apt to be taken.

* * *

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REPORTS OF GENERAL OFFICERS

REPORT OF THE PRESIDENT

To the House of Delegates:

Neither this body nor the Association needs to be told that the California Medical Association and the entire profession of Medicine in California is in a position of great peril. Indeed the entire profession of the United States may be said to be imperiled since it is obvious that interests demanding compulsory health insurance are using California as a sort of proving ground.

It is indeed comforting to know that almost every member of the Association is determined that the private practice of Medicine and free enterprise shall be preserved and that the California Medical Association shall not stand by complacently while revolutionists weld the golden chains of security about the necks of our people.

It is my earnest plea that regardless of all personal opinion; that even though some individual member would have conducted himself or the affairs of Medicine differently; that even though individual members feel and voice criticism of those who must needs spearhead the battle, all members will submerge these differences and standing shoulder to shoulder lead a fight which will be so victorious that the planners will hesitate to try again to enslave a great profession.

Respectfully submitted,

LOWELL S. GOIN, *President*.

REPORT OF THE PRESIDENT-ELECT

To the President and the House of Delegates:

Travel restrictions and duties with the Navy have made it impossible to carry out, except in the San Francisco bay area, the customary visits to the county societies.

Your President-elect has attended the meetings of the Council and the Executive Committee.

Respectfully submitted,

P. K. GILMAN, *President-Elect*.

REPORT OF THE PAST PRESIDENT

To the President and the House of Delegates:

The experience of the Past President during the last year convinces him more than ever that the Past President should not hold a seat on the Council of the California Medical Association.

It seems to me that the Council is already too large and the men who should be active and should hold positions are the younger men who are going up in the Association and who will have to carry out the policies which they formulate.

I am sure any of the men who have served as President will be glad to consult with the Council or Executive Committee when occasion demands, but to serve regularly on such a body becomes an anticlimax. I, therefore, heartily endorse Dr. Goin's resolution.

Respectfully submitted,

KARL L. SCHAUPP, *Past President*.

REPORT OF THE SPEAKER OF THE HOUSE OF DELEGATES

To the President and the House of Delegates:

Little need is apparent to recite the happenings of the past year. Indeed, our motto with the experience of the past must be, "Look forward—not backward."

Your Speaker was honored in being your Chairman at one of the few historical, special meetings of the House of Delegates. At that meeting, re-affirmation by the California Medical Association was made of opposition to Compulsory Health Insurance schemes. These bills were, in my opinion, un-American in principle, faulty in form, obnoxious in purpose, and deceptive in origin. Though government has the right to make radical changes, yet we are privileged also to object to such changes by legal processes. That has been the attitude of our Association.

This year, following the meeting of the Legislature, with the Armed Forces still in battle, our House of Delegates must lay careful grounds for our policies of the future. Our soldier confreres must come home to us with a knowledge that we have planned for the future, theirs and ours. We must preserve for them the things that they cherish here at home as they are fighting there to preserve things that we cherish.

The sessions of the House of Delegates are open to all members of the Association. All who can possibly do so should attend as observers, so to be informed of developments as they arise.

All delegates should plan to be present at whatever personal sacrifice that is necessary.

Respectfully submitted,

E. VINCENT ASKEY, *Speaker*.

REPORT OF THE VICE-SPEAKER

To the President and the House of Delegates:

"Sweet are the uses of adversity,

Which like the toad, ugly and venomous,

Wears yet a precious jewel in his head."—*Shakespeare*.

The most important event in the past twenty years of California Medical Association history occurred when the House of Delegates at its special session the first week in January adopted a positive, unequivocal, aggressive policy in support of the private practice of medicine and in favor of the voluntary principle as applied to the prepayment of the costs of illness.

By this action, the House reflected the opinions of an overwhelming majority of our membership. It served notice upon the people of this State that we as an organization are thoroughly aware of the multitude of panaceas urged or employed to relieve every social and economic evil, and that we will not be a party to appeasement in any form in dealing with the most serious of these fallacies, compulsory health insurance.

The House of Delegates by this forthright and courageous action further emphasized to the people of this State that Organized Medicine has done an excellent job in its field; that it has taken in the past and will take in the future an active part in making its services more readily available to all who need them; that the costs of such services can be properly prepaid on a voluntary basis, and that such a plan is the American solution of an American problem.

Such a stand by the House of Delegates should be a battle call to every member of the California Medical Association who believes in the practice of his art and profession, and who above all else, believes in sound representative government. The fight will be hard, but it can be won.

Respectfully submitted,
L. A. ALESEN, *Vice-Speaker.*

REPORT OF THE CHAIRMAN OF THE COUNCIL

To the President and the House of Delegates:

During 1944 it has been my privilege to preside at the meetings of the Council. On another page you will find a tentative report of the Council. Perusal of this report will serve to inform you—many of you already are aware of this—that the past year has been productive of many important items and serious problems confronting the Association. Additional reports and recommendations may be made by the Council for consideration by the House of Delegates.

Respectfully submitted,
P. K. GILMAN, *Chairman of the Council.*

REPORT OF THE COUNCIL

To the President and the House of Delegates:

1. Meetings.

During the year 1944 the Council of the California Medical Association held 7 meetings, the same being meetings 314 to 321, inclusive, as of the following dates: January 23; March 5; May 6; May 7; May 8; August 6; and December 13.

The proceedings of the various meetings were printed in CALIFORNIA AND WESTERN MEDICINE in the following issues: March, page 101; April, page 213; June, pages 323-327; September, page 151; and January, 1945, page 26.

Members who have taken the trouble to peruse the above minutes could not be otherwise than impressed with the importance of the problems considered, even though some have not as yet been possible of solution. In these matters the Council, as the constituted authority of the Association to act between meetings of the House of Delegates, could only study the various issues and take such action, tentative or otherwise, as at the time seemed best adapted to promote the interests of the medical profession.

2. Membership.

On January 1, 1944, the California Medical Association was credited with a membership of 7,336 doctors of medicine (civilian members, 5,274; military members, 2,062). On December 31, 1944, the total membership was 7,627, an increase of 291 members for the calendar year 1944 (civilian members, 5,453; military members, 2,174). The total number of members who died during the year was 84.

3. Finances.

Concerning the financial status of the Association,

members are referred to the report of the Secretary-Treasurer, wherein the audit of the Certified Public Accountants is given, and the report of the Executive Secretary, who makes comment concerning the income and expenses of the Association as carried on through his office.

4. Public Opinion Survey Re: Medical Profession.

In January, 1944, the firm of Foote, Cone and Belding, through its representative, Mr. John R. Little, submitted a 232-page report, "Survey of Public Relations of the California Medical Profession as of January, 1944." An "Interpretative Report" of the above was printed in CALIFORNIA AND WESTERN MEDICINE for May, 1944, on page 241. This survey indicated the desire of the California Medical Association to secure accurate information, not only concerning the adequacy of medical service in California, but also the opinions of citizens of California in relation thereto. The information received was of real value and has received much consideration and comment, both in California and other parts of the United States.

5. Western States Public Health League (United Public Health League).

The action of the Council of the California Medical Association some years ago in presenting to the House of Delegates of the American Medical Association a resolution to have the American Medical Association establish an A.M.A. Bureau of Medical Economics may be cited to show the wish of the medical profession of California to bring about in the Nation and in the States and local areas, a better understanding of the medical economic problems that were increasingly coming to the front. As a result of that resolution, the American Medical Association did establish as one of its activities, the A.M.A. Bureau of Medical Economics. Unfortunately, that Bureau seemed rather to have had as its major objective the elaboration of statistical and informative data, rather than of becoming an active and militant agency through which constituent State medical associations and their component county units could not only secure information, but be able to work to better advantage against legislation inimical to the best interests of the public health.

Last year, the C.M.A. Council felt, since important issues adverse to the best standards and interests of the medical practice were developing so rapidly, and the A.M.A. Bureau of Medical Economics had not shown adequate leadership capacity, it was proper for the California Medical Association to aid in the promotion of some other agency that would consider the immediate problems ahead, and through a properly setup bureau, devise ways and means that would make for a better protection of medical service and health standards than under the arrangement noted above.

To that end, at the meeting of the Council on January 23, 1944, the Council allocated the sum of \$18,000.00 in support of an organization that had come into being among some of the Far-West constituent state medical associations, the affiliation organizing under the name "Western States Public League." Through this newly formed collateral organization, now operating under the name "The United Public Health League," an office has been established in Washington, D. C., with a personal representative in charge. Component county societies have received bulletins from this organization and are, therefore, somewhat familiar with its work. Without evidence of over-pride in regard to this newly formed agency, it may be stated that it is the belief of many physicians that the institution of a Washing-

ton, D. C., office with a representative of "The United Public Health League," has had a decided influence in bringing about at long last, a similar office by the more recently formed Council on Medical Service and Public Relations of the American Medical Association (into which the A.M.A. Bureau of Medical Economics has been absorbed).

It is possible that the present House of Delegates of the California Medical Association may wish to express itself concerning the future support and activities of the "United Public Health League," since continued financial appropriation should now have the sanction of the C.M.A. House of Delegates.

6. **Liaison Committee on Medical and Hospital Plans in California.**

The good will of the California Medical Association in relation to projects designed to bring about a kindly relationship between medical and hospital authorities and agencies is evidenced through the appointments of a Committee of Eight, a Committee of Ten, and finally, a Committee of Six. Through these groups, each one succeeding the other, efforts have been made to bring about a cordial understanding and affiliation of the organizations represented.

California is a large State, not only geographically, but in its diverse metropolitan, agricultural and other environments. Plans for organizations designed to give "hospitalization service" on a prepayment basis came into being before the California Medical Association instituted its own collateral "medical service" organization, through a corporation operating as "California Physicians' Service." Each of the three hospitalization groups, "Intercoast" with headquarters at Sacramento; "Hospital Service of California" with major headquarters in Oakland, and "Hospital Service of Southern California" with main office in Los Angeles, is listed as a member of the Blue Cross hospitalization setup, and each of these three hospitalization groups has built up for itself a considerable reserve in funds.

California Physicians' Service, designed originally to provide, on a prepayment basis, medical service on a fee-for-service plan, began operation at a later date, some six years ago.

It is unfortunate that the differences that have arisen in scope of functions and areas to be covered in hospitalization and medical services could not have been satisfactorily adjusted before now.

Additional information concerning the problems involved may be gleaned from perusal of the report by the Chairman of the C.M.A. Liaison Committee of Six.

7. **Malpractice Insurance Premiums.**

Owing to some unfortunate experiences arising in one or two areas in California, and due largely during the last several years to the negligence of non-medical assistants, judgments for malpractice were handed down by the California courts that ran into some hundreds of thousands of dollars. In order to recover from their financial losses the commercial carriers involved found it necessary to raise their premium charges for malpractice coverage in rather heavy amount.

Ways and means to bring about a betterment of this particular problem have been a subject of close study by the C.M.A. Committee on Medical Defense, and elsewhere reports thereon will be submitted for the consideration of the Delegates.

8. **Permanente Foundation Hospital.**

At several meetings of the Council, reports were made concerning the Permanente Foundation Hospital

located in Oakland. At one time this organization, dealing almost exclusively with workers in wartime shipbuilding and related industries, had wage charge-off membership for about 100,000 workers. That particular plan has received much press and other exploitation, and special comment was made thereon in *CALIFORNIA AND WESTERN MEDICINE* for October, 1943.

A Council Committee made report concerning the Kaiser Foundation Hospital in *CALIFORNIA AND WESTERN MEDICINE* for March, 1944, on page 104, item 9.

At the time this report is written, it is in order to mention a press announcement that the Permanente Foundation Hospital has proclaimed its intention to presumably give medical service not only to workers, but to families of workers. By indirection it may be said that this organization has been able to develop its massive building construction and other programs largely as a result of indirect governmental aid. As pointed out by the special Council Committee, it is very proper to inquire what are the future objectives of this organization (that seemingly operates under an indirect governmental subsidy), in relation to civilian medical service plans of the future?

9. **Agricultural Workers Health and Medical Association.**

Mention is here made of the difficulties encountered during the last session of the United States Congress through proposed laws whereby much of the efficient medical service given to migratory workers in agriculture could have been destroyed. The Council's Committee has made every effort to maintain the efficiency of the splendid organization that came into being, largely through the advice and work of Past-president Karl L. Schaupp.

10. **California and Western Medicine.**

As stated in the report of the Editorial Board and Editor of *CALIFORNIA AND WESTERN MEDICINE*, it was found necessary during the last year to change printers.

The newsprint conservation plan of the Federal Government continues, on which account it has not been possible to increase the number of pages allotted to original articles. The important issues involved in proposed sickness insurance legislation have necessitated the allocation of much space to those very important issues.

In order to make possible the presentation of a larger number of scientific articles, the Council has authorized the use of a smaller eight point type. Also, in due time when opportunity permits, additional clerical help will be provided in the editorial office to permit better filing of manuscripts and other work on related matters.

11. **Industrial Accident Commission Fee Table.**

Attention has been called by the Council to the efforts that have been made to bring about a more adequate fee schedule for medical and surgical fees in industrial compensation cases. During a period of some twenty-five years the minimum fee table originally established to aid in the institution of the industrial compensation plan in California has been practically ignored, so far as authorization for adequate increase in compensation for medical and surgical services is concerned. In the meantime, refund dividends on premiums to policy holders have been granted in the amount of millions of dollars. The efficiency of State compensation protection of workers depends in large part upon the kind of service rendered by members of the medical profession. It is, therefore, proper that continued effort should

be made to bring about a proper readjustment in professional fees. Additional information may be found concerning the steps that have been taken in this matter, in the report of the Legal Counsel.

12. C.M.A. Delegates to the American Medical Association.

Because of unhappy conditions which had arisen in relation to the representation of the California Medical Association in the House of Delegates of the American Medical Association, a number of C.M.A. Delegates submitted their resignations to the C.M.A. House of Delegates in May, 1944.

In order to better orient C.M.A. Delegates with the actions of the Council of the California Medical Association, the Council has voted that the C.M.A. Delegates shall meet with the Council at one or two meetings prior to the Annual Session of the A.M.A. House of Delegates. Members of the Association are invited to send in suggestions for the consideration of the C.M.A. Delegates.

13. Osteopathy in California.

In last year's report reference was made to the efforts designed to bring about a betterment of relationship between Doctors of Medicine and osteopathic physicians and surgeons in California. For a time it was thought progress was being made, because of informal opinions expressed by the Council on Medical Education of the American Medical Association and of the Board of Trustees of the Association of American Medical Colleges. However, at a later date word was received that the National Federation of Examining Boards objected to the plans proposed; and because the A.M.A. Council and the Association of American Medical Colleges could not jeopardize licensure of graduates from institutions recognized by their respective bodies, it was necessary to drop the negotiations.

14. Proposal to Lower Medical Licensure Laws in California.

Under the above caption, CALIFORNIA AND WESTERN MEDICINE in its issue of October, 1944, called attention to proposals of the Committee on Postwar Medical Service made at a meeting in New York City on September 9, 1944, whereby request was made of the medical profession that amendments be made to medical practice acts in the various commonwealths, whereby a temporary license (without examination) would be given to an honorably discharged medical officer of the Armed Forces, and also to a physician in civilian practice, if the applicant presented satisfactory evidence that he had "rendered medical service during the period 1940-1945 in industry or in a civilian community." The members of the C.M.A. Council went on unanimous record in opposition to the suggestion made by the Committee on Postwar Medical Service. One of the addresses at the general session will be by a representative of the California State Board of Medical Examiners, and it is hoped further information will be given concerning existing problems in licensure, which for the State of California, have quite different aspects than those presented in other commonwealths of the Union.

15. California Physicians' Service.

Reference has been made above to the plans to bring about a closer cooperation between the three Blue Cross hospitalization groups operating in California and the nonprofit medical service corporation, California Physicians' Service, brought into being by the California Medical Association. The California Medical Association

established this Statewide prepayment medical service plan some six years ago, at a time when there was little actuarial or other background available as guideposts for procedures. Naturally, some errors in procedure were made, but these, one by one, have been rectified as time went on, as far as has been possible.

At its session last year, the House of Delegates for the first time went into recess and resolved itself as the Board of Administrative Members of C.P.S., and in that capacity elected the Board of Trustees of C.P.S. California Physicians' Service, as a corporation, must abide by the corporate laws of the State, and its administration must be carried on from the Board of Trustees down.

Many suggestions were submitted concerning desirable changes and, insofar as possible, these have been made. Despite the many efforts made, it has not been possible to secure an over-all administrative chief for C.P.S. Rather than to commit an error through an undesirable appointment, it was deemed wise to wait until the proper individual could be found.

The report of California Physicians' Service, as given in the "Pre-Convention Bulletin," presents additional information concerning the present status of the organization which, in recent months has received much publicity, in connection with the sickness insurance bills presented to the California Legislature, which convened in January, 1945.

16. Proposed Prepayment Sickness Insurance Laws.

On December 13, 1944, Governor Earl Warren met with members of the C.M.A. Council and other representatives of the California Medical Association and outlined legislation which he stated he would propose, for a compulsory sickness insurance system to become operative in California. The report of that meeting was given in CALIFORNIA AND WESTERN MEDICINE in its issue of January, 1945, on pages 26-28.

So important were the issues involved that the Council on that date issued a call for a special session of the House of Delegates of the California Medical Association, which was held in Los Angeles on January 4-6, 1945.

At the three-day session of the House of Delegates, before which representatives of labor and other groups made addresses, the issues were discussed in considerable detail, the resolutions that were finally adopted being printed in CALIFORNIA AND WESTERN MEDICINE for January, 1945, on pages 32-34.

In subsequent issues of the OFFICIAL JOURNAL extensive comments have been made concerning the progress of the various bills that were submitted to this year's 56th California Legislature.

Digests of the compulsory sickness insurance C.I.O. bill, A.B. 449; Governor Earl Warren's compulsory sickness insurance bill, A.B. 800; and the voluntary sickness insurance bill of the California Medical Association, A.B. 1200, appeared in CALIFORNIA AND WESTERN MEDICINE for February, 1945, on pages 89-92.

At the time this report is written, hearings are being held on these various bills. No further comment is here made, since other reports will be submitted to the House of Delegates by the C.M.A. Committee on Public Policy and Legislation and other officers and affiliated groups.

In closing this report for the C.M.A. Council, it is desired to call to the attention of all practicing physicians of California, and to members of the California Medical Association, the grave importance of the issues now being discussed in the public forums and press,

concerning medical practice procedures. These could made radical changes for the future, should some of the proposed legislation be enacted by the Legislature and signed by the Governor, or perhaps referred to the voters of the State in a referendum, or be submitted in the November, 1946, general election in the form of initiative laws.

Respectfully submitted,

THE COUNCIL OF THE CALIFORNIA
MEDICAL ASSOCIATION,
PHILIP K. GILMAN, *Chairman.*

REPORT OF THE PRESIDENT OF THE TRUSTEES OF THE CALIFORNIA MEDICAL ASSOCIATION

To the President and the House of Delegates:

The function of the Board of Trustees is to hold in trust the monies and properties of the California Medical Association. During the past year the Board of Trustees has met regularly and has transacted the necessary business of the Association. The report of its activities and the state of the financial affairs of the Association is included in the report of the Treasurer.

Respectfully submitted,

LOWELL S. GOIN, *President.*

REPORT OF THE SECRETARY-TREASURER

To the President and the House of Delegates:

In accordance with past custom, your Secretary-Treasurer submits his report under two subheadings: (1) Report of the Association Secretary, and (2) Report of the Treasurer.

I. Report of the Association Secretary

The work of the Association Secretary has to do with his activities for the constituted authorities of the C.M.A., as outlined in the Constitution and By-laws; namely, House of Delegates, Council, Executive Committee, Committee on Scientific Work, Committee on Postgraduate Activities, Committee on History, as well as with general correspondence with other state medical societies, and with members of the Association and others.

With the limited amount of clerical help available, it has been difficult, at times, to turn out all work promptly. Meetings of the constituted bodies of the Association also imply special work, not only in preparation of agenda, but on occasion, need much follow-up attention to carry out instructions concerning actions taken.

Appreciation is expressed to all who have aided in the performance of these various duties.

II. Report of the Treasurer

The C.M.A. Constitution provides that the person who is elected to the office of Secretary-Treasurer must hold the degree of Doctor of Medicine. In such capacity the undersigned submits: (a) the Original Budget approved by the House of Delegates (in 1943) for the calendar year 1944, and (b) the Report of the Certified Public Accountants (Messrs. Hood and Strong of San Francisco).

Concerning the collection and disbursement of funds of the Association, these functions, by Council action, have been delegated to the Executive Secretary as part of his responsibilities, and in his report, comment thereon will be made.

In scanning the report of the Certified Public Accountants, it is important for members to keep in mind that the funds of the California Medical Association are kept under two separate authorities: (1) Current maintenance

and administrative income and expenses, presented under the heading, "California Medical Association"; and (2) Reserve funds; given under the title, "Trustees of the California Medical Association," a nonprofit corporation composed of the year-by-year general officers, whose members in that organization function as a holding company for the California Medical Association, in compliance with the corporate laws of the State. From time to time, the C.M.A. Council transfers excess funds to the "Trustees of the California Medical Association." Also, when occasion demands, the C.M.A. borrows from the "Trustees."

The financial records of the Association are on file in the headquarters office, should additional information be desired.

Respectfully submitted,

George H. Kress, *Secretary-Treasurer.*

Budget for Calendar Year 1944

CALIFORNIA MEDICAL ASSOCIATION (As adopted by House of Delegates in 1943)

Income	
Membership Dues	\$ 80,000
Advertising Sales	25,000
Journal Subscriptions	500
Reprint Sales (Net)	100
Annual Session	
Miscellaneous (includes earned interest, Herzstein Bequest, etc.)	1,500
TOTAL REVENUES	\$107,100

Expenditures	
Rent	\$ 3,288
Telephone and Telegraph	750
Postage	750
Stationery and Printing, Office Supplies, Office Expense	2,000
Salaries:	
(a) Secretary-Treasurer	3,600
(b) Executive Secretary	7,600
(c) Clerical	8,500
(1) Social Security Tax	1,040
(2) Unemployment Tax	520
Travel Expenses:	
(a) Officers	750
(b) Councilors	2,500
(c) Executive Committee	250
(d) Secretary	500
(e) A.M.A. Delegates	2,500
Council-Executive Committee Expense	400
Annual Session	6,000
Employee's Annuities	500
Pensions	960
Dept. of Public Relations	8,214
Cancer Commission	1,000
Committee's Expenses	1,500
Committee on War Effort	2,000
Postgraduate Committee	2,000
Public Policy and Legislation	13,500
Benevolence Committee	5,000
Secretarial Conference	1,000
Donations to Libraries	2,000
Legal Department	5,500
Woman's Auxiliary	200
Equipment Expense	400
Miscellaneous	3,000
California and Western Medicine:	
(a) Printing	17,000
(b) Postage and Mailing	1,500
(c) Advertising Commissions	5,000
(d) Discount and Collections	250
(e) Editor's Salary	4,000
(f) Supplies	450
(g) Postage	750
(h) Illustrations	600
(i) Doubtful Accounts	250
(j) Addressograph Expense	300
(k) Editorial Board Travel	300
TOTAL EXPENSES	\$118,122

* * *

Report of the Certified Public Accountants, Hood and Strong, San Francisco, follows:

Report of Examinations

- I. California Medical Association
and of
- II. Trustees of the California Medical Association
(A Corporation)

San Francisco, California
December 31, 1944

I

California Medical Association
HOOD AND STRONG
CERTIFIED PUBLIC ACCOUNTANTS
SAN FRANCISCO

No. 1036-1544 January 22, 1945

CALIFORNIA MEDICAL ASSOCIATION, San Francisco.

Dear Sirs:

Pursuant to your instructions, and following upon our similar attention for previous years, we have made an examination of the accounts and records of CALIFORNIA MEDICAL ASSOCIATION for the year ended December 31, 1944, and present hereinafter the following statements:

*California Medical Association and Trustees of the California Medical Association (a Corporation):—
Combined Comparative Balance Sheet—December 31, 1944 and December 31, 1943*

California Medical Association:—

Balance Sheet—December 31, 1944

Statement of Income and Expenditure—Comparative for Years Ended December 31, 1944 and December 31, 1943

Expenditure—Comparative for Years Ended December 31, 1944 and December 31, 1943

We have also made an examination of the accounts of the Trustees of the California Medical Association, a non-profit corporation, and have rendered a separate report thereon.

The following comments are submitted in amplification of the various items appearing in the statements herein submitted, and indicate, generally, the scope of our examination:

COMBINED COMPARATIVE BALANCE SHEET
DECEMBER 31, 1944 AND DECEMBER 31, 1943

CALIFORNIA MEDICAL ASSOCIATION AND TRUSTEES OF THE
CALIFORNIA MEDICAL ASSOCIATION (A CORPORATION)

This statement exhibits, in condensed form, the combined assets and liabilities of both organizations. The assets and liabilities of the California Medical Association will be discussed in detail hereinafter, and a separate report is being presented as to the assets and liabilities of the Trustees of the California Medical Association (a corporation).

BALANCE SHEET—DECEMBER 31, 1944
CALIFORNIA MEDICAL ASSOCIATION
ASSETS

CASH—\$73,702.30:

We verified the amounts on deposit in banks from the basis of confirmations received by us directly from the depositaries. The petty cash fund was counted.

ACCOUNTS RECEIVABLE—\$2,283.48:

These consist of "California and Western Medicine" advertisers, in amount \$2,783.48, less a reserve of \$500.00 which has been provided for doubtful accounts. These accounts are considered to be collectible in the ordinary course of business. We examined accounts totaling the above sum, but we did not verify the amounts by direct correspondence with the individual debtors.

TRUST FUNDS—\$9,839.88:

These consist of (a) the Morris Herzstein Bequest Fund of \$2,546.38, and (b) the Benevolence Fund of \$7,293.50.

(a) The changes in the Herzstein Bequest Fund during the year were as follows:

Balance, December 31, 1943.....	\$1,848.86
Add Interest	21.34
Bequest from Trustees of Fund.....	676.18
Balance, December 31, 1944.....	<u>\$2,546.38</u>

The income was verified from a photostatic copy of a statement of receipts and disbursements by Wells Fargo Bank & Union Trust Co., Trustee, as to the bequest, and the savings bank interest was verified from the pass-book.

(b) The change in the Benevolence Fund during the year is as follows:

Balance, December 31, 1943.....	\$ 5,524.50
Transfer from Commercial Account, as authorized by Council.....	5,369.00
	<u>\$10,893.50</u>
Less Disbursements—Los Angeles County Physicians Aid Association.....	3,600.00
Balance, December 31, 1944.....	<u>\$ 7,293.50</u>

Disbursements were verified from the basis of canceled checks and the balance was confirmed directly to us by the bank.

DEFERRED CHARGES—\$1,051.88:

Details of this asset appear on the Balance Sheet and call for no further comment, and, in our opinion, are correctly stated.

* * *

LIABILITIES

ACCOUNTS PAYABLE—\$2,701.60:

The composition of this item appears on the Balance Sheet and we are satisfied that it is correctly stated.

TRUST ACCOUNTS—\$9,839.88:

This is a contra item to the amount of like assets shown in the Balance Sheet under Assets, and has been commented on hereinbefore.

SURPLUS—\$73,677.06:

This is the amount by which the total assets exceed the total liabilities at December 31, 1944. The only changes during the year are the addition of the net receipts over disbursements, and the cancellation of a reserve of \$39,300.00 which had been provided in prior years against possible loss on the amount advanced to California Physicians' Service. In 1944 this advance was paid in full, and the reserve therefor was canceled.

STATEMENT OF INCOME AND EXPENDITURES

This statement is presented in comparative form for the years 1944 and 1943, together with increases or decreases in the various items. We checked the membership dues to the statement of remittances sent in by County Societies, and further verified them by direct correspondence with several of the County Societies selected by us at random, asking them to confirm to us the amount remitted by them. The income was verified to have been deposited in banks.

From the basis of our examination and from replies received from County Societies, we are satisfied that dues are being properly received and accounted, although, as understood by you, we made no attempt to check the dues to the membership cards on file.

Income from advertisements in the "Journal" was tested by us to advertisements appearing in the December, 1944, issue of that periodical. It has been the practice to allocate to Income of the "Journal" \$3.00 per member whose dues were paid for the entire year and \$1.50 per member for those who joined the Association after July 1.

In 1943 in making this allocation, the "Journal" was credited with income on the basis of the entire membership, including those members who were in military service, even though dues to these members were waived. In 1944, however, the "Journal" was credited with income only of those members who paid dues. This accounts for the large reduction in amount of income credited to the "Journal" from dues in 1944 under 1943.

Expenditures were verified from canceled checks and by inspection of vouchers, where necessary.

Minutes of the meetings of the Council, Directors, etc., were reviewed by us for authorization of expenditures, where necessary. The following amounts not appropriated in the original budget for 1944 were expended and these were verified by us to have been properly approved:

	Original Budget	Increased Expenditure
Salary—Secretary-Treasurer	\$3,600.00	\$ 325.00
Salary—Executive Secretary	7,600.00	933.32
Department of Public Relations....	8,214.00	8,364.00
United Public Health League.....	0.00	18,000.00
Department of Public Relations (California Physicians' Service)	0.00	25,000.00

We are submitting a Comparative Statement of Expenditures for the years 1943 and 1944 in detail, showing the increases or decreases in the various items, all of which appear to be self-explanatory.

Very truly yours,

(Signed) HOOD AND STRONG.

* * *

CALIFORNIA MEDICAL ASSOCIATION
San Francisco, California

BALANCE SHEET
December 31, 1944

ASSETS		
Cash		\$73,702.30
On Deposit	\$73,653.30	
Commercial Accounts ..	\$43,391.42	
Savings Accounts ...	30,261.88	
Petty Cash Fund	49.00	
Accounts Receivable		2,283.48
Journal Advertisers:		
Total	2,783.48	
Less Reserve for Doubtful Accounts ..	500.00	
Trust Funds		9,839.88
Morris Herzstein Bequest	2,546.38	
Benevolence	7,293.50	
Furniture and Fixtures—		
Nominal Value	1.00	
Deferred Charges	1,051.88	
Rent Paid in Advance..	274.00	
Equipment for Annual Meeting	133.42	
Postage	644.46	\$86,878.54
LIABILITIES		
Accounts Payable.....		2,701.60
Journal Production—Accrued Expense	2,179.79	
Miscellaneous	521.81	
Deferred Income		660.00
Dues Received in Advance	660.00	
Trust Accounts		9,839.88
Unexpired Balance of Income Received under Herzstein Bequest ...	2,546.38	
Benevolence Fund.....	7,293.50	13,201.48
Surplus		\$73,677.06
Representing the amount by which the total Assets exceed the Liabilities as of December 31, 1944:		
Balance, Jan. 1, 1944	23,754.44	
Add	49,922.62	
Transfer from Reserve (Note Paid)	39,300.00	
Excess of Receipts over Disbursements for year 1944....	10,622.62	

STATEMENT OF INCOME AND EXPENDITURE
COMPARATIVE FOR YEARS ENDED
DECEMBER 31, 1943 AND DECEMBER 31, 1944

	YEAR ENDED		INCREASE
	DECEMBER 31, 1944	DECEMBER 31, 1943	Decrease
DUES AND GENERAL:			
Membership Dues —			
Less portion allocated to Journal Subscriptions	\$ 93,770.00	\$ 85,188.13	\$ 8,581.87
California Medical Society—Services	600.00	600.00	
Interest Earned	349.37	272.73	76.64
Miscellaneous		2.74	2.74
	\$ 94,719.37	\$ 86,063.60	\$ 8,655.77
OFFICIAL JOURNAL, "CALIFORNIA AND WESTERN MEDICINE":			
Advertising	\$ 33,477.42	\$ 28,661.05	\$ 4,816.37
Members' Subscription (Allocated from Dues)	16,160.00	21,771.00	5,611.00
Cash Subscriptions...	1,044.53	825.80	218.73
Reprint, Sales, Etc....	31.20		31.20
	\$ 50,713.15	\$ 51,257.85	\$ 544.70
Total Income	\$145,432.52	\$137,321.45	\$ 8,111.07
EXPENDITURE			
ADMINISTRATIVE	\$ 60,668.62	\$ 46,581.45	\$14,087.17
SCIENTIFIC EDUCATION AND PUBLIC RELATIONS	40,541.23	22,929.76	17,611.47
OFFICIAL JOURNAL, "CALIFORNIA AND WESTERN MEDICINE"	33,600.05	30,822.73	2,777.32
TOTAL EXPENDITURE ..	\$134,809.90	\$100,333.94	\$34,475.96
EXCESS OF RECEIPTS OVER DISBURSEMENTS ...	\$10,622.62	\$ 36,987.51	\$26,364.89
* * *			
CALIFORNIA MEDICAL ASSOCIATION			
EXPENDITURE			
COMPARATIVE FOR YEARS ENDED			
DECEMBER 31, 1944 AND DECEMBER 31, 1943			
	YEAR ENDED		INCREASE
	DECEMBER 31, 1944	DECEMBER 31, 1943	Decrease
ADMINISTRATION:			
Salary — Association Secretary and Treasurer	\$ 3,825.00	\$ 3,600.00	\$ 225.00
Salary — Executive Secretary	8,533.32	7,366.67	1,166.65
Salaries—Clerical ...	8,141.26	7,641.16	500.10
Travel Expense:			
Secretary	561.76	521.29	40.47
Officers		81.58	81.58
Council	2,455.96	3,206.52	750.56
Executive Committee		126.73	126.73
A.M.A. Delegates ..	2,122.75	1,865.28	257.47
Taxes—Payroll	348.82	272.88	75.94
Annual Meeting Expense	5,407.30	5,873.06	465.76
Legal Expense:			
Retainer Fee	4,000.00	4,000.00	
Other Legal Expense	944.59	1,025.65	81.06
Rent	3,288.00	3,288.00	
Office Supplies and Expense	1,312.16	1,877.21	565.05
Postage	726.23	526.43	199.80
Telephone and Telegraph	687.83	673.06	14.77
Council and Executive Committee	726.52	652.00	74.52
Equipment Expense..	105.60	189.66	84.06
Miscellaneous	2,116.79	2,294.27	177.48
Survey — California Medical Service and Hospital Organizations		1,500.00	1,500.00
Contribution to the United Public Health League	15,364.73		15,364.73
	\$ 60,668.62	\$ 46,581.45	\$14,087.17

SCIENTIFIC, EDUCATIONAL AND PUBLIC RELATIONS:			
Contributions to Medi- cal Libraries	\$ 2,745.00	\$ 2,666.00	\$ 79.00
Public Policy and Legislation Expense	12,028.01	11,201.67	826.34
Other Committee Ac- tivities	2,183.12	3,316.29	1,133.17
Department of Public Relations	8,388.95	416.80	7,972.15
Department of Public Relations, C.P.S. Promotion	9,698.15		9,698.15
Physicians' Benevolent Committee	5,498.00	5,329.00	169.00
	<u>\$40,541.23</u>	<u>\$ 22,929.76</u>	<u>\$17,611.47</u>

OFFICIAL JOURNAL—"CALI- FORNIA AND WESTERN MEDICINE":			
Salary—Editor	\$ 4,249.97	\$ 4,000.00	\$ 249.97
Printing	20,441.06	19,411.58	1,029.48
Advertising Commis- sions	4,368.04	3,908.72	459.32
Wrapping and Mailing	2,053.26	1,579.03	474.23
Illustrations	282.80	374.85	92.05
Supplies, Expense and Office Postage	1,805.21	1,116.31	688.90
Discounts and Collec- tion Expense	399.71	432.24	\$2.53
	<u>\$ 33,600.05</u>	<u>\$ 30,822.73</u>	<u>\$ 2,777.32</u>
TOTAL EXPENDITURE ...	<u>\$134,809.90</u>	<u>\$100,333.94</u>	<u>\$34,475.96</u>

* * *

II

Trustees of the California Medical Association (A Corporation)

Report of Examination December 31, 1944

No. 1035-1544 January 22, 1945
TRUSTEES OF THE CALIFORNIA MEDICAL ASSOCIATION (A
CORPORATION),
San Francisco,
California.

Dear Sirs:

Pursuant to your instructions, and following our atten-
tion for prior years, we have made an examination of
your accounts for the year 1944, and upon the conclusion
thereof, have prepared and present hereinafter the fol-
lowing statements:

Trustees of the California Medical Association (a
Corporation) and California Medical Association:—
Combined Comparative Balance Sheet—
December 31, 1944 and December 31, 1943.

Trustees of the California Medical Association (a
Corporation):—

Balance Sheet—December 31, 1944

Statement of Income and Expenditure—

Comparative for the Years Ended December 31,
1944 and December 31, 1943

We have also made an examination of the accounts of
California Medical Association, and have rendered a
separate report thereon.

The following comments are submitted in amplification
of the various items appearing in the statements sub-
mitted herein, and indicate, generally, the scope of our
examination:—

Trustees of the California Medical Association (a
Corporation) and California Medical Association
Combined Comparative Balance Sheet—
December 31, 1944 and December 31, 1943

This statement exhibits, in condensed form, the com-
bined assets and liabilities of both organizations. The
assets and liabilities of the Trustees of the California
Medical Association will be discussed in detail herein-
after, and a separate report is being presented as to the
assets and liabilities of the California Medical Asso-
ciation.

TRUSTEES OF THE CALIFORNIA MEDICAL ASSOCIATION (A CORPORATION)

BALANCE SHEET—DECEMBER 31, 1944

ASSETS

CASH—\$5,768.97:

This amount was verified from the basis of a certificate
received by us directly from the depository.

INVESTMENTS—\$92,592.41:

These consist of Government securities of a par value
of \$92,000.00, plus accrued interest of \$592.41, and are
stated at cost. Details of these securities are as follows:

*25,000.00 p.v. U.S. Treasury Bonds 4%	—1944-54
5,000.00 p.v. U.S. Treasury Bonds 3½%	—1949-52
5,000.00 p.v. U.S. Treasury Bonds 2½%	—1964-69
10,000.00 p.v. U.S. Treasury Bonds 2½%	—1964-69
5,000.00 p.v. War Savings Bonds 2½% 12 yrs.—Series "G"	

CALIFORNIA MEDICAL ASSOCIATION AND TRUSTEES OF THE CALIFORNIA MEDICAL ASSOCIATION COMBINED COMPARATIVE BALANCE SHEET

	CALIFORNIA MEDICAL ASSOCIATION	CALIFORNIA MEDICAL ASSOCIATION	COMBINED DECEMBER 31, 1944	COMBINED DECEMBER 31, 1943	INCREASE Decrease
ASSETS					
Cash	\$73,702.30	\$ 5,768.97	\$ 79,471.27	\$ 49,132.12	\$30,339.15
Marketable Securities		92,592.41	92,592.41	72,270.05	20,322.36
Accounts Receivable	2,283.48		2,283.48	1,890.89	392.59
Endowment Fund		258.15	258.15	255.60	2.55
Benevolence Fund	7,293.50	6,651.78	13,945.28	10,955.70	2,989.58
Trust Fund	2,546.38	51,928.50	54,474.88	52,708.78	1,766.10
Furniture, Equipment, Etc.	1.00		1.00	1.00	
Deferred Charges	1,051.88		1,051.88	790.84	261.04
Note Receivable				39,300.00	\$9,300.00
	<u>\$86,878.54</u>	<u>\$157,199.81</u>	<u>\$244,078.35</u>	<u>\$227,304.98</u>	<u>\$16,773.37</u>
LIABILITIES, RESERVES AND SURPLUS					
Accounts Payable	\$ 2,701.60		\$ 2,701.60	\$ 2,419.70	\$ 281.90
Members' Contribution to Endowment Fund		\$ 258.15	258.15	255.60	2.55
Benevolence Fund	7,293.50	6,651.78	13,945.28	10,955.70	2,989.58
Trust Accounts	2,546.38	51,928.50	54,474.88	52,708.78	1,766.10
Deferred Income	660.00		660.00	1,540.00	880.00
Reserves				39,300.00	\$9,300.00
Surplus	73,677.06	98,361.38	172,038.44	120,125.20	51,913.24
	<u>\$86,878.54</u>	<u>\$157,199.81</u>	<u>\$244,078.35</u>	<u>\$227,304.98</u>	<u>\$16,773.37</u>

10,000.00 p.v. War Savings Bonds 2½% 12 yrs.—Series "G"	
20,000.00 p.v. U.S. Treasury Bonds 2½% —1965-70	
12,000.00 p.v. U.S. Treasury Bonds 2½% —1966-71	
<u>\$92,000.00</u>	

*Not inspected—in hands of bank for exchange.

All of the above bonds, with the exception of the \$25,000 p.v. U.S. Treasury Bonds, were inspected by us at your safe deposit vault in the presence of Drs. Kress and Cline and Mr. Hunton. The \$25,000 p.v. Treasury Bonds were in the hands of the bank for exchange, and we examined the receipt from the bank in connection therewith.

ENDOWMENT FUND—\$258.15:

The only change in this account during 1944 was the addition of savings bank interest of \$2.55. The balance was confirmed directly to us by the Bank of America, N.T.&S.A. It is offset by a like amount under "Liabilities and Surplus."

BENEVOLENCE FUND—\$6,651.78:

This amount consists of monies in trust for the California Medical Association, and the account was started in 1942, in conformity with the Minutes of the Association. The changes in this account for the year 1944 are as follows:—

Balance, December 31, 1943.....	\$5,431.20
Add	1,220.58
Interest on Savings Account.....\$ 50.00	
Donation from Women's Auxiliary 1,041.58	
Contribution by Members—	
129 at \$1.00	129.00
<u>Balance, December 31, 1944.....</u>	<u>\$6,651.78</u>

This fund is offset by a like amount under "Liabilities and Surplus."

TRUST FUND—\$51,928.50:

The analysis of this fund is as follows:—

Savings Accounts	\$14,573.80
Wells Fargo Bank & Union Trust Co.	\$7,073.25
American Trust Co.	7,500.55
<u>U. S. Government Securities.....</u>	<u>37,000.00</u>
Accrued interest to December 31, 1944	354.70
<u>\$51,928.50</u>	

The amounts on deposit were verified by us by direct confirmation from the depositaries. The United States Government securities consist of the following:—

\$ 5,000.00 p.v. U.S. Treasury Bonds 2¾% —1945-47	
10,000.00 p.v. U.S. Treasury Bonds 2½% —1949-53	
10,000.00 p.v. U.S. Treasury Bonds 2¾% —March 15, 1948	
5,000.00 p.v. U.S. Treasury Bonds 2½% —Dec. 15, 1945	
5,000.00 p.v. War Savings Bond 2½% 12 yrs.—Series "G"	
2,000.00 p.v. U.S. Treasury Bonds 2½% —1966-71	
<u>\$37,000.00</u>	

These bonds were inspected by us in your Safe Deposit Vault in the presence of Drs. Kress and Cline, and Mr. Hunton. It is our understanding that this fund is an "Indemnity Defense Fund" and is offset by a like amount under "Liabilities and Surplus."

The Trustees have taken out a malpractice liability policy with Underwriters at Lloyds to protect them against any liability of this fund to the extent of \$5,000.00 to any one case or a total of \$46,000.00. This policy is written for a five year term, expiring January 15, 1945. The changes in this fund during the year are as follows:—

Balance, December 31, 1943	\$50,859.92
Add	1,068.58
Bond Interest	\$931.46
Collected during year..\$ 757.50	
Accrued, Dec. 31, 1944. 354.70	
<u>\$1,112.20</u>	
Less accrued, Dec. 31, 1943	180.74
<u>\$ 931.46</u>	
Savings Bank Interest...	137.12
<u>Balance, December 31, 1944</u>	<u>\$51,928.50</u>

LIABILITIES AND SURPLUS

MEMBERS' CONTRIBUTION TO

ENDOWMENT FUND	\$ 258.15:
BENEVOLENCE FUND	6,651.78:
TRUST ACCOUNT	51,928.50:

These items are contra to the same funds shown under the assets, and have been discussed in detail hereinabove. SURPLUS—\$98,361.38:

Details of the Surplus appear on the Balance Sheet and call for no further comment. The only change during the year was the addition of Net Income for the year.

STATEMENT OF INCOME AND EXPENDITURE

This has been exhibited in comparative form for the years 1944 and 1943, together with increases or decreases in the various items. We have satisfied ourselves, to the extent practicable, that all Income has been correctly accounted, and that the expenditures are proper.

Very truly yours,

(Signed) HOOD AND STRONG.

* * *

TRUSTEES OF THE CALIFORNIA MEDICAL ASSOCIATION (A CORPORATION) San Francisco, California

BALANCE SHEET DECEMBER 31, 1944

ASSETS		
CASH	\$ 5,768.97	
On Deposit—Bank of America, N.T.&S.A.: Commercial Account..\$ 459.63		
Savings Account.... 5,309.34		
INVESTMENTS	92,592.41	
U. S. Government Securities	92,000.00	
Accrued Interest	592.41	
ENDOWMENT FUND	258.15	
Bank of America N.T.& S.A.—Savings Account	258.15	
BENEVOLENCE FUND.....	6,651.78	
Crocker First National Bank — Savings Account	6,651.78	
TRUST FUND	51,928.50	
Savings Accounts.....	14,573.80	
Wells Fargo Bank & Union Trust Co.	\$7,073.25	
American Trust Co.	7,500.55	
U. S. Government Securities	37,000.00	
Accrued Interest to December 31, 1944....	354.70	
		<u>\$157,199.81</u>

LIABILITIES AND SURPLUS

MEMBERS' CONTRIBUTION TO ENDOWMENT FUND..	\$ 258.15	
BENEVOLENCE FUND.....	6,651.78	
TRUST ACCOUNT	51,928.50	58,838.43
<u>SURPLUS</u>	<u>\$ 98,361.38</u>	

TRUSTEES OF THE CALIFORNIA MEDICAL ASSOCIATION (A CORPORATION)
AND CALIFORNIA MEDICAL ASSOCIATION
San Francisco, California

COMBINED COMPARATIVE BALANCE SHEET

ASSETS	TRUSTEES OF THE CALIFORNIA MEDICAL ASSOCIATION	CALIFORNIA MEDICAL ASSOCIATION	COMBINED DECEMBER 31, 1944	COMBINED DECEMBER 31, 1943	INCREASE Decrease
Cash	\$ 5,768.97	\$73,702.30	\$ 79,471.27	\$ 49,132.12	\$30,339.15
Marketable Securities	92,592.41		92,592.41	72,270.05	20,322.36
Accounts Receivable		2,283.48	2,283.48	1,890.89	392.59
Endowment Fund	258.15		258.15	255.60	2.55
Benevolence Fund	6,651.78	7,293.50	13,945.28	10,955.70	2,989.58
Trust Fund	51,928.50	2,546.38	54,474.88	52,708.78	1,766.10
Furniture, Equipment, etc.		1.00	1.00	1.00	
Deferred Charges		1,051.88	1,051.88	790.84	261.04
Note Receivable				39,300.00	\$9,300.00
	<u>\$157,199.81</u>	<u>\$86,878.54</u>	<u>\$244,078.35</u>	<u>\$227,304.98</u>	<u>\$16,773.37</u>
LIABILITIES, RESERVES AND SURPLUS					
Accounts Payable		\$ 2,701.60	\$ 2,701.60	\$ 2,419.70	\$ 281.90
Members' Contribution to Endowment Fund	\$ 258.15		258.15	255.60	2.55
Benevolence Fund	6,651.78	7,293.50	13,945.28	10,955.70	2,989.58
Trust Accounts	51,928.50	2,546.38	54,474.88	52,708.78	1,766.10
Deferred Income		660.00	660.00	1,540.00	880.00
Reserves				39,300.00	\$9,300.00
Surplus	98,361.38	73,677.06	172,038.44	120,125.20	51,913.24
	<u>\$157,199.81</u>	<u>\$86,878.54</u>	<u>\$244,078.35</u>	<u>\$227,304.98</u>	<u>\$16,773.37</u>

Representing the amount
by which the total
Assets exceed the
Liabilities as of De-
cember 31, 1944,
being—
Contributed Surplus
received from Cali-
fornia Medical As-
sociation 75,000.00
Earned Surplus 23,361.38
Balance, January 1,
1944 ... \$21,370.76
Net Income for Year
1944 ... 1,990.62

TRUSTEES OF THE CALIFORNIA MEDICAL
ASSOCIATION (A CORPORATION)
San Francisco, California
STATEMENT OF INCOME AND EXPENDITURE
COMPARATIVE FOR THE YEARS ENDED
DECEMBER 31, 1944 AND DECEMBER 31, 1943

	YEAR ENDED—		
	DECEMBER 31, 1944	DECEMBER 31, 1943	INCREASE Decrease
INCOME:			
Interest on Bonds	\$2,101.33	\$1,967.62	\$133.71
Interest on Savings Accounts	46.29	69.17	22.88
	<u>\$2,147.62</u>	<u>\$2,036.79</u>	<u>\$110.83</u>
EXPENDITURE:			
Audit Fee	\$ 126.00	\$ 126.00	
Miscellaneous	31.00	31.85	.85
	<u>\$ 157.00</u>	<u>\$ 157.85</u>	<u>\$.85</u>
NET INCOME	<u>\$1,990.62</u>	<u>\$1,878.94</u>	<u>\$111.68</u>

REPORT OF THE EXECUTIVE SECRETARY

To the President and the House of Delegates:

Your Executive Secretary submits the following report for the calendar year 1944 and for the early months of 1945:

1. *General.* The Association office has been maintained in the best possible fashion during the period, with due allowance for the fact that certain types of office equip-

ment are required but are not procurable under wartime restrictions. It is obvious that new equipment, particularly typewriters, will be required when purchase restrictions are eased; meanwhile, a policy of adequate maintenance is being followed.

The four office assistants have remained on the job throughout the period, despite the prevalence of outside offers of employment, and the thanks of the Association are certainly due them for a good job well done. Their loyalty and willingness have enabled the office to handle a greatly increased volume of work during a trying period.

2. *Financial.* The Association again operated profitably for 1944. The auditor's report shows that revenues for 1944 were \$10,622 in excess of expenditures and that the budgeted items were lived within for the year. Other items, notably expenditures for public relations activities, cut into the surplus which otherwise would have accrued for 1944 but the Association closed the year with a satisfactory cash position and with an accumulated surplus of \$73,677, compared with \$23,754 a year earlier.

Administrative expenses for 1944 were \$45,303, compared with \$46,581 for 1943. The Association appropriated \$15,365 to the United Public Health League for the year, an item which did not appear on the 1943 accounting. Public relations activities for 1944, notably the Foote, Cone & Belding survey of public opinion and the dissemination of the findings of that study, accounted for expenditures of \$17,670, another new item in the C.M.A. income account.

CALIFORNIA AND WESTERN MEDICINE was produced at a cost of \$33,600 for 1944, an increase from the \$30,823 cost for 1943. However, revenues for the 1944 period amounted to \$34,553, compared with \$29,487 for 1943, resulting in a net profit of \$953 for 1944, compared with a net loss of \$1,336 for 1943. Production expenses are still rising but revenues are advancing at an even faster rate.

During 1944, California Physicians' Service repaid the balance of the \$42,000 loan originally advanced by the C.M.A. These funds, amounting to \$39,300, have been placed in Association accounts, with the understanding

that C.P.S. may need a second loan from the Association for some particular purpose at a later date.

The Indemnity Defense Fund, which represents \$52,709 in cash and Government bonds, will be available for distribution late in 1945, at which time a maximum of about \$3,500 will be payable to the surviving members of the Fund late in 1945. The freeing of these remaining funds will add to the outright assets of the Trustees of the C.M.A.

3. *California and Western Medicine.* As noted above, the journal returned a small profit for 1944. During the year the advertising rates were adjusted upward, to reflect the 60 per cent increase in circulation since advertising rates were last set, in 1924. It is a pleasure to report that advertising contracts already on the books for 1945 show a marked increase over 1944 revenues and that the demand for advertising space continues strong. During the past two years there has come a clarification of some of the advertising rules under the control of the Coöperative Medical Advertising Bureau, the A.M.A. affiliate which handles national advertising accounts for CALIFORNIA AND WESTERN MEDICINE; this clarification has resulted in the securing of additional business which we have been able to accommodate within our paper stock restrictions. It is hoped that a good portion of this increased business will be retained after the war.

Paper stock restrictions have forced the limitation of our journal in size but the use of a lighter weight paper, together with other economies, has permitted us to maintain our regular format and place minimum restrictions on the publication of editorial material.

4. *Annual Session.* Again in 1944, there were no technical exhibits at the Annual Session. Expenses of this meeting were kept at a minimum, consistent with the standards of quality of these meetings. There will be no exhibits at the curtailed 1945 session. This means that this meeting will again be an expense to the Association, as was the special House of Delegates meeting in January, 1945. These expenses will be reflected in the 1945 year-end accounting.

5. *Procurement and Assignment Service.* The work of this service has dropped considerably in volume and your executive secretary has devoted a smaller percentage of his time to this work than in the preceding two years. The major work of this agency appears to be pretty well completed and it is likely that the Association will be called upon to take over the wind-up stages of this service for the benefit of the profession as a whole. Definite plans in this direction are not yet known.

6. *The United Public Health League.* Your executive secretary serves also as executive secretary of the United Public Health League. This organization was formed in January, 1944, and has maintained an office in Washington, D. C., since March 14, 1944. This office has been extremely useful in keeping our membership posted on events in the national capital and in holding up to the medical profession of the country the necessity of maintaining a close watch on national legislative events. Future activities of this League will be determined at a coming meeting of the League's directors.

7. *Public Policy and Legislation.* With the California Legislature now in its biennial session and with compulsory health insurance as the major topic in Sacramento, the central office has been called upon for a great volume of work in legislative matters. Your executive secretary has been named as the liaison officer between the Council and the public relations counsel employed by the Association and has devoted much time to appearing at public and private meetings, helping organize Association activities and planning for future moves. This work continues on a heavy scale at this time and will doubtless be with us for some time to come.

8. *Conclusion.* Grateful acknowledgment is hereby made for the generous counsel and assistance given the executive secretary by the members of the Council, the officers and members of the Association. In any coöperative endeavor such as the C.M.A. teamwork is the most important element for successful accomplishment, and many members and officers have given unsparingly of their time and help. It is a pleasure to make note of this help and at the same time pay tribute to the offices of our legal counsel and our legislative representatives for their understanding and coöperative assistance at all times.

Respectfully submitted,

JOHN HUNTON, *Executive Secretary.*

REPORT OF THE EDITOR

To the President and the House of Delegates:

During the calendar year 1944, major articles which appeared in CALIFORNIA AND WESTERN MEDICINE, by groups and number included:

Editorials	41
Editorial Comment Articles.....	18
Scientific and General (Original) Articles.....	108
Case Report Articles	4
Major State Association Committee Reports.....	114
Major Miscellany Department Reports.....	54

During 1944 the smaller size of CALIFORNIA AND WESTERN MEDICINE was maintained in compliance with directives relating to conservation of newsprint paper received from the Federal Government. The Editorial Board made request to the Council that at least one-half of each issue, namely fifty pages, be allocated to text material, and this request, on the basis of yearly totals, was granted by the Council. During 1944, the total number of text pages was 680, an average of 56 2/3 pages per monthly issue. (Inclusive of Tuberculosis Supplement, pp. 43.)

In the November and December issues of 1944, two wartime symposia appeared, and in order to permit publication of a larger number of articles, smaller eight point type was used, instead of the regulation ten point.

No protest having been received from readers concerning this change in size of type, the Editorial Board obtained the sanction of the Council to continue the use of eight point case in the Original Articles section, thus making space available for one or two additional articles each month.

Note may be made here concerning the pages needed for discussions and comment on proposed sickness insurance legislation, necessitating use of space previously allocated to original articles. The reasons for the allocations have received editorial and other comment, and the justification for the change should be self-evident.

In 1944, it was again necessary to change printers. It had been hoped that publication of the JOURNAL in San Francisco would conserve clerical and other work, but such was not the actual experience. Accordingly, the Council authorized change of publication place to Los Angeles, the first issue under the Wolfer Printing Company being that of April, 1944.

For those who may not be acquainted with problems confronting the printing trade, it is proper to state that due to lack of manpower help and other factors, it is not possible during present wartime conditions to bring off publications as promptly as heretofore. Similar delay arises in delivery of journals under second class franks, owing to the limited number of employees in the post office stations.

In the Report of the Committee on Scientific Work, mention is made of a new Council ruling that will apply for the Duration, whereby papers presented at Annual Sessions may be "read by title"; that is, placed on the

program with the author not in attendance. This rule makes every paper on the program of an Annual Session available for publication consideration in CALIFORNIA AND WESTERN MEDICINE.

As stated in previous reports, CALIFORNIA AND WESTERN MEDICINE is an official journal, primarily dedicated to the promotion of organized medicine. The California Medical Association, with its membership of 7,627 Doctors of Medicine, has a multitude of administrative problems and issues intimately related to the economic and other welfare of practicing physicians. If there were no OFFICIAL JOURNAL through which information could be given concerning these matters, it would not be possible to secure adequate coöperation of competent county societies and of members throughout the State, and harm would result for both scientific and organized medicine, and to members individually and collectively.

The large number of journals devoted to medicine, surgery and the specialties, in which the pages are almost entirely given over to scientific articles make it possible for every physician to easily obtain sufficient reading material of that nature. Even so, CALIFORNIA AND WESTERN MEDICINE will continue to make every effort to give as much space as possible to original articles. However, with the limited number of pages permitted by the Government, the space allotted to original articles must be of lesser amount than in previous years.

The Editorial Board again expresses its appreciation to all contributors through whose coöperation it has been possible to present articles and material of value and interest.

Respectfully submitted,

George H. Kress, *Editor*.

REPORT OF LEGAL DEPARTMENT

To the President and the House of Delegates:

In this, the fourth year of the war, we again present our report in condensed form:

Fee Schedule in Compensation Cases:

On February 15, 1943, after a public hearing, the Association's application to the Industrial Accident Commission for the adoption of a compensatory fee schedule, covering all, and not a minor portion of the procedures and operations incident to these cases, was taken under advisement by the Commission. Nothing further occurred officially until June 16, 1944, when the Commission, after a conference with representatives of certain compensation insurance carriers, and officials of the California Inspection Rating Bureau, appointed a Study Committee of ten, composed of representatives of the Commission, the Insurance Commissioner, the Rating Bureau, various types of insurance carriers, and the California Medical Association.

At the same meeting, the fee schedule was increased 15 per cent for the duration. Some of the companies have attempted to claim that this increase was not mandatory, but it was so intended by the Commission and is now generally in effect. Meanwhile, the Study Committee was organized and has held two meetings, Mr. John Hunton, Executive Secretary, representing the California Medical Association.

The objectives of the association in the work of this committee are: (a) the establishing of a fair level of fees for medical services in compensation work; and (b) determining means of enforcing the universal and uniform application thereof.

At the 1943 session of the Legislature, an interim committee on Government Efficiency and Economy was appointed, with Hon. Don Field as chairman, and a sub-committee thereof composed of Assemblyman Albert M.

King, chairman, Clyde A. Watson and Frank J. Waters was appointed to investigate the Industrial Accident Commission. This sub-committee held public hearings at San Francisco and Los Angeles, much of its time being concerned with the internal operations of the department. On October 3, 1944, at the Los Angeles Sessions, Dr. Donald A. Cass, John Hunton and Hartley F. Peart, appeared before the committee urging legislative changes with reference to medical service under the act, and compensation therefor, to the end that the injured workmen receive the best quality of medical service, adequate in quantity, and that there be but one standard of medical service rendered to injured workmen throughout the State.

After careful consideration of all factors, a bill, A.B. No. 1702 by Mr. King, chairman of the above mentioned sub-committee, was introduced into the legislature. This bill in substance provides: that the commission shall prepare and adopt and from time to time amend rules and regulations governing medical and surgical service and a fee schedule fixing the reasonable value thereof. That the schedule and rules and regulations shall be reviewed every two years after a public hearing; that no physician or hospital shall rebate to any employer or insurance carrier and that no agreement between an employer or insurance carrier and any other person relating to the measure or amount of compensation for medical, surgical, or hospital care rendered in compensation case shall be enforceable if the charges are less than the reasonable value thereof as fixed by the fee schedule, or unless a copy of such agreement has been filed with the commissioner.

Legislation:

The primary legislative proposals are, of course, the Warren-C.I.O. compulsory state medicine bills. The enactment of any bill establishing any form of compulsory state medicine is so fundamental in its disastrous effect upon medical standards and practice as to subordinate all other legislative issues. Nevertheless the department, as usual, is examining and analyzing some three hundred bills more or less affecting medical practice and standards.

Pursuant to the resolution of the House of Delegates at the special meeting, held in Los Angeles in January, we drafted and submitted to the Executive Committee a bill which was later introduced as AB 1200, sponsored by Assemblymen Collins, Field, Werdel, Erwin, Knight, Stewart, Stream and Watson. This bill supports voluntary prepaid medical and hospital plans, and other systems now functioning. It was printed in full in the February 1945 issue of CALIFORNIA AND WESTERN MEDICINE (page 65). Some amendments have been introduced, and this bill is not yet in final form.

Administrative Procedure Act:

The Judicial Council is sponsoring bills in the present session to improve administrative procedure. One of the agencies affected is the State Board of Medical Examiners. These proposals provide for hearing officers, who must be attorneys of several years experience, to pass upon questions of procedure in disciplinary proceedings. Another important subject covered is the judicial review of board decisions.

Appellate Court Decision Confirming Legality of California Physicians' Service:

At the special meeting of the House of Delegates, held at Los Angeles, in December, 1938, we presented two plans of organization for California Physicians' Service, viz.: (1) a medical service plan, and (2) an indemnity insurance plan. After extended debate, the House adopted the service plan.

Thereafter the then Insurance Commissioner challenged the operations of C.P.S. claiming that (1) it was engaged in the insurance business, and (2) it was unlawfully engaged in the corporate practice of medicine.

The case was tried before Hon. C. Julian Goodell, Superior Judge of the City and County of San Francisco, upon a stipulated statement of facts. After briefs and argument, Judge Goodell, on October 28, 1942, decided both of the above contentions in favor of C.P.S.

Thereafter, the Attorney General, representing the Insurance Commissioner, appealed to the Superior Court, which transferred the appeal to the District Court of Appeal of the First District. Extensive briefs were filed. By special permission, a full half day was allowed for oral argument. On February 15, 1945, the District Court of Appeal, comprising Hon. John T. Norse, Presiding Justice, Hon. Geo. A. Sturtevant, Justice, and Hon. Maurice J. Dooling, Justice pro tem, unanimously affirmed the decision of Judge Goodell. In its opinion, the Court quotes with approval from the decision of the Court of Appeals of the District of Columbia in the case of *Jordan vs. Group Health Association* (107 Fed. 2nd 239). In differentiating between, and defining prepaid medical service and indemnity insurance, this decision states:

"Although Group Health's activities may be considered in one aspect as creating security against loss from illness or accident, more truly they constitute the quantity purchase of well-rounded, continuous medical service of its members. Group Health is in fact and in function a consumer coöperative. The functions of such an organization are not identical with those of insurance or indemnity companies. The latter are concerned primarily, if not exclusively, with risk and the consequences of its descent, not with service, or its extension in kind, quantity or distribution; with the unusual occurrence, not the daily routine of living. Hazard is predominant. On the other hand, the coöperative is concerned principally with *getting service rendered* to its members and doing so at lower prices made possible by quantity purchasing and economies in operation. Its primary purpose is to reduce the cost rather than the risk of medical care; to broaden the service to the individual in kind and quantity; to enlarge the number receiving it; to regularize it as an every-day incident of living, like purchasing food and clothing or oil and gas, rather than merely protecting against the financial loss caused by extraordinary and unusual occurrences, such as death, disaster at sea, fire and tornado. It is, in this instance, to take care of colds, ordinary aches and pains, minor ills and all the temporary bodily discomforts as well as the more serious and unusual illnesses. To summarize, the distinctive features of the coöperative are the rendering of service, its extension, the bringing of physician and patient together, the preventive features, the regularization of service as well as payment, the substantial reduction in cost by quantity purchasing, in short, getting the medical job done and paid for; not, except incidentally to these features, the indemnification for cost after the service is rendered. Except the last, these are not distinctive or generally characteristic of the insurance arrangement. There is, therefore, a substantial difference between contracting in this way for the rendering of service, even on the contingency that it be needed, and contracting merely to stand its cost when or after it is rendered."

A petition for a rehearing, filed by the Attorney General, was denied. A hearing by the Supreme Court, can, and probably will be applied for.

Opinions:

During the year, perhaps more than the usual number of opinions have been requested, many from members serving with the Armed Forces. In these instances, the questions presented dealt with problems arising in connection with military service, and war activity, questions relating to malpractice such as the use of nurse's aides, and opinions relating to the Office of Price Administration. Among other subjects covered were asexualization, license taxes, libel, various provisions of the dis-

ciplinary code; admission of new members; and assessments of medical libraries for local property tax.

We have, as usual, attended all meetings of the Council, the Executive Committee, the Legislative Committee, and other special committees when our presence was desired.

Respectfully submitted,

HARTLEY F. PEART, *General Counsel*.

HOWARD HASSARD, *Assistant General Counsel*.

REPORTS OF DISTRICT COUNCILORS

FIRST COUNCILOR DISTRICT

Imperial, Orange, Riverside, San Bernardino, and San Diego Counties

To the President and the House of Delegates:

The Societies of District One have succeeded in continuing their scientific programs as usual, in spite of a decrease in attendance due to military requirements.

Great interest has developed in the proposed legislation which would inaugurate state medicine. There is almost unanimous opposition to these proposals.

Respectfully submitted,

H. A. Johnston, *Councilor*,
First District.

SECOND COUNCILOR DISTRICT

Los Angeles County

To the President and the House of Delegates:

Your Councilor for the Second District has the following to report for the previous year.

Because of the difficulty of transportation the Council has met only a few times but your Councilor has been present at all meetings.

The meetings held in 1944 were for the most part those which had to do with the regular routine business of the Association and will be covered completely in the report of the Chairman of the Council. However, during this time we had no inkling of the eminence of the threat of Compulsory Health Insurance and the meeting held in December was our first knowledge that the Governor had planned to become a proponent of such a scheme. Since then there have been extra meetings of the Council devoted almost entirely to the question of how to advise the Medical Association relative to problems of Compulsory Health Insurance. The Council is unanimously against endorsing any plan of Compulsory Health Insurance and has pledged itself to carry the mandate of the House of Delegates to the letter.

Your Councilor feels that at the coming meeting of the House of Delegates at its annual convention the problems associated with compulsory health insurance will be met and at that time the House of Delegates will instruct the Council as to what its course will be during the next year.

Respectfully submitted,

Donald Cass, *Councilor*,
Second District.

THIRD COUNCILOR DISTRICT

Kern, San Luis Obispo, Santa Barbara, Ventura, and Inyo-Mono Counties

To the President and the House of Delegates:

The Third Councilor District has of necessity had to restrict its activities as a district because of wartime conditions. However, each component society is well organized and actively participating in the problems of the medical world. Public forums have been held in each of the counties on numerous occasions as educational efforts directed to the general public. Medical care for the increased population is being adequately met.

Respectfully submitted,

H. E. Henderson, *Councilor*,
Third District.

FOURTH COUNCILOR DISTRICT

Fresno, Madera, Kings, Tulare, Merced, Mariposa, Calaveras, San Joaquin, Tuolumne, and Stanislaus Counties

To the President and the House of Delegates:

The C.M.A. members of this district are greatly concerned and disturbed by the threatened compulsory health insurance legislation and are quite unanimous in their determination to fight this issue in order to preserve the private practice of medicine and permit the best medical care of our people without regimentation and bureaucratic control. The membership has been urged to tell their patients and friends what it will mean to the public if politicians manage the practice of medicine. An intensive campaign of education of the people of the State is required to avoid disastrous changes in medical care.

For the good of our patients and our future welfare this battle must be won.

Respectfully submitted,

A. E. Anderson, *Councilor,*
Fourth District.

FIFTH COUNCILOR DISTRICT

Monterey, San Benito, San Mateo, Santa Cruz, and Santa Clara Counties

To the President and the House of Delegates:

The counties of this district have all been vitally interested in the problems that have confronted the C.M.A. this year and have participated in helping to solve these problems.

I have visited or contacted all the counties in my district, and there has been whole-hearted support of the action taken by the House of Delegates.

Meetings were held with representatives of labor in San Mateo County, at which time the members of that district and guests from the adjoining counties had an opportunity to discuss with these representatives the anticipated legislation which has now been introduced by them.

Santa Clara, Monterey and Santa Cruz counties had meetings with their legislators, and they were informed on medicines viewpoint of the legislation now before us.

Much has been done to acquaint the public with the problems that we have in relation to their care. Many meetings have been held with service clubs, political clubs and women's clubs to carry our story to the public.

A great deal has been done in welding the medical profession into a unit so that they will cooperate with one another much better than heretofore, and a united front can now be presented. This should be one of the objectives of all the districts of the State.

Respectfully submitted,

R. S. Kneeshaw, *Councilor,*
Fifth District.

SIXTH COUNCILOR DISTRICT

San Francisco County

To the President and the House of Delegates:

During the past year, the San Francisco County Medical Society has continued to work under a curtailed scientific program. Most of the activities in direct connection with the war effort, such as the Office of Civilian Defense have been curtailed or terminated.

Many of the problems arising as an indirect result of the war have required time and effort for their solution. The Society has cooperated closely with other agencies in an effort to solve the problems of inadequate hospitalization, diminished nursing and the distribution of medical care. The Society's telephone service for strangers and residents not having regular physicians has worked out quite satisfactorily.

The Irwin Memorial Blood Bank has continued to render excellent service to the community and the surrounding area.

The Society has been greatly concerned over pending legislation which might seriously affect the practice of medicine and presents a more unified front than at any time in its history.

Respectfully submitted,

John W. Cline, *Councilor,*
Sixth District.

SEVENTH COUNCILOR DISTRICT

Alameda and Contra Costa Counties

To the President and the House of Delegates:

As reported a year ago, there is still a shortage of private hospital beds as well as doctors in my district. While there has been a considerable number of men laid off in the shipyards, the population remains greatly increased.

Since the special meetings of California Medical Association Council in San Francisco on December 12 and 13, 1944, the doctors in the Seventh District have been informed on legislative matters pertaining to the future practice of medicine. I am sure that all of these doctors will cooperate to defeat all compulsory health measures without compromise.

The Alameda County Medical Association has employed Mr. Roland Waterson of Lake County, Indiana, as executive secretary of their association, he will take over his duties next July.

Respectfully submitted,

Lloyd Kindall, *Councilor,*
Seventh District.

EIGHTH COUNCILOR DISTRICT

Alpine, Amador, Butte, Colusa, Eldorado, Glenn, Lassen, Modoc, Nevada, Placer, Plumas, Sacramento, Shasta, Sierra, Sutter, Tehama, Yolo and Yuba Counties

To the President and the House of Delegates:

During the past year as Councilor of the Eighth District, I have been chiefly concerned with the activities of the Council as a whole, and have attended all regular and special meetings which have been held. I have been unable to visit all the component county societies in this district but have attended meetings of the Yolo, Placer-Nevada-Sierra and Sacramento societies.

The physicians in this district are keenly aware of the recent attempts to regiment medicine, are united in opposition to bureaucratic control, and will cooperate fully to prevent political domination of medical practice.

Respectfully submitted,

Frank A. MacDonald, *Councilor,*
Eighth District.

NINTH COUNCILOR DISTRICT

Del Norte, Humboldt, Lake, Marin, Mendocino, Napa, Siskiyou, Solano, Sonoma, and Trinity Counties

To the President and the House of Delegates:

The year 1944 was rather uneventful except that the effort to serve the 100,000 people in the Vallejo area has taken our time to such an extent that I have been unable to visit the counties in the northern part of the district. Solano, Napa, Marin and Sonoma counties have all been visiting during the year and since the advent of the possibility of Compulsory Health Insurance, it seems very necessary to visit all the County Medical Societies in 1945 in spite of gas rationing and crowded railway transportation.

Following the House of Delegates meeting in Los Angeles January 3-4-5, 1945, a special effort was made to contact all the County Societies this side of San Francisco Bay, with a view of implementing the decision of

the House in its mandate to defeat all Compulsory Health Insurance Bills. We are earnestly attempting to carry out the mandate of that body at this time.

Returning to the year 1944: a joint meeting of all the District County Medical Societies was held at Northwood and Guerneville, Calif., on September 24, 1944, under the auspices of the Sonoma County Medical Society. Although the extreme northern part of the State was not represented, there was a good delegation from all the West Bay County groups, including members from Mendocino, Lake, Marin, Napa, Solano, Sonoma and Humboldt Counties. Following a very good dinner, which was preceded by a golf match at the Northwood Golf Club, Dr. D. H. Murray addressed the group and related all the actions of and the program outlined by the Legislative Committee of C.M.A.

Your Councilor has done his best to increase the influence of C.P.S. and continue its activity in the Vallejo district and we are able to report that in spite of influences within the Housing Authority which have attempted to undermine and discredit the emergency service established by C.P.S. in the area, California Physicians' Service still is carrying on in Chabot Acres Medical Center and serves 12,000 people in accordance with the wishes of that community. Other smaller groups have decided to favor the Stowe-Lipsett medical group of Oakland and a fee-for-service plan. What the ultimate outcome will be, we are unable to report, except to say, that the effort to displace C.P.S. in Vallejo has resulted in an improved attitude of our physicians toward California Physicians' Service and has brought them all to a better understanding of the problems confronting the Medical Profession.

Respectfully submitted,
John W. Green, *Councilor,*
Ninth District.

REPORTS OF COUNCILORS-AT-LARGE

To the President and the House of Delegates:

As a Councilor-at-Large of the California Medical Association for the year nineteen hundred forty-four and forty-five, I have attended all of the Council meetings to date.

The year nineteen forty-four and forty-five has been thus far, one of great trouble in many respects. We have had numerous and sundry problems to deal with, the greatest of which has been the question of compulsory health insurance; with several bills passed in to the Legislature by those who, thinking or unthinkingly, have their eyes turned to the left.

As this report is written it is my hope, information and belief that all of these bills, too radical for the great majority of the thinking population of the State of California, will have been defeated in the Legislature.

Our next great problem will undoubtedly be to defeat the same or similar bills in November of 1946, when I hope, we will be able to put them down with enough force, that they will not put up their ugly heads again in our time.

The campaign in 1945 and ending November 5, 1946, is going to necessitate every member of the California Medical Association, giving his thought, time, and financial support, to the fight ahead,—in order that those of our conferees returning from the Armed Services, will know that we who remained behind, have not deserted them.

Respectfully submitted
Edwin L. Bruck, *Councilor-at-Large.*

To the President and the House of Delegates:

The past year has been one filled with serious problems

to which the council has given long and careful consideration. It has been my privilege to be present at these deliberations and to take an active part in keeping the men in my local community informed.

Respectfully submitted,
Edward B. Dewey, *Councilor-at-Large.*

To the President and the House of Delegates:

As one of your Councilors-at-Large, I have regularly attended the meetings of the Council during the past year, and have attempted to the best of my ability to represent the Council both in public gatherings and various medical meetings where the subject of health insurance was under discussion. I would like to say that from a personal standpoint it has been a privilege to participate in the deliberations of the Council during a delicate and trying period in the history of the California Medical Association. It is, in addition, a source of great satisfaction to feel that the important matters which have arisen during the past year have been dealt with wisely and well. It is my belief that the members of the California Medical Association may feel confident that their interests will be safeguarded insofar as it is possible for the officers of the Association to do so.

Respectfully submitted,
Sidney J. Shipman, *Councilor-at-Large.*

To the President and the House of Delegates:

As one of your Councilors-at-Large, I have attended all regular and special meetings of the Council during the year; have visited the majority of the component societies in the First District; and have endeavored to promote cooperation among the organized groups of the District.

Respectfully submitted,
S. J. McClendon, *Councilor-at-Large.*

To the President and the House of Delegates:

I have attended all the meetings of the Council and the House of Delegates and have engaged in all the deliberations and actions of both bodies. The present serious problem of the contemplated Compulsory Health Legislation in this State has seemed for the moment to have superseded the Federal bogey of socialized medicine. Your councilors are keenly aware of this problem and are working diligently, collectively and individually to combat this menace.

Respectfully submitted,
E. Earl Moody, *Councilor-at-Large.*

To the President and the House of Delegates:

During the past year, in my function as Councilor-at-Large, I have endeavored at all times to consider most carefully the many important problems that have presented themselves for decision, and to arrive at a solution that would be for the best interests of the medical profession as a whole.

I have kept my own San Joaquin County Society fully informed as to the problems of organized medicine and legislative activities, and have, as well, reported on the progress and scope of the California Physicians' Service.

Respectfully submitted,
Dewey R. Powell, *Councilor-at-Large.*

All of the animals excepting man know that the principal business of life is to enjoy it.

—Samuel Butler the Younger, *Note-Books.*

It matters not how long we live, but how.

—P. J. Bailey, *Festus: Wood and Water.*

EXECUTIVE COMMITTEE**Executive Group**

John W. Cline, Chairman
 Lowell S. Goin, President
 Philip K. Gilman, President-Elect
 E. Vincent Askey, Speaker, House of Delegates
 Philip K. Gilman, Chairman of the Council
 John W. Cline, Chairman, Auditing Committee
 Karl L. Schaupp, Past-President
 George H. Kress, Secretary-Treasurer and Editor

To the President and the House of Delegates:

The Executive Committee has met in part or in whole six times during the past year. In the intervals between Council meetings, it has transacted important business for the Council. When only a portion of the membership was present, the remaining members have been informed of actions by mail and their opinions and votes solicited.

All acts of the Executive Committee have been reviewed by the Council, and these actions and their approval have been published in the minutes of the Council

Respectfully submitted,

John W. Cline, *Chairman.*

AUDITING COMMITTEE**Executive Group**

John W. Cline, Chairman, 1945
 Edwin L. Bruck, 1945 Lloyd E. Kindall, 1945

To the President and the House of Delegates:

The Auditing Committee has performed the functions laid down in the by-laws. The professional audit of the Association books showed them to have been accurately kept, and the Committee has submitted its recommendations for the 1946 budget.

Respectfully submitted,

John W. Cline, *Chairman.*

COMMITTEE ON PUBLIC POLICY AND LEGISLATION

To the President and the House of Delegates:

The Committee on Public Policy and Legislation is at present engaged in the most serious and most far-reaching campaign encountered since the present committee has been assembled. The legislation now before the State Legislature, looking forward to possible establishment of a State-controlled system of medical practice, has engaged the entire attention of the committee for the past three months and promises to continue doing so until the Legislature adjourns. An oral report on this situation will be made when the House of Delegates convenes.

The committee has continued the inter-association conferences started four years ago, where representatives the medical, dental, pharmacy, hospital and dispensing opticians' associations get together to discuss legislative trends which may affect one or another of these groups and may impinge on one group from another. Two such meetings have been held in recent months and much valuable coöperation has resulted from them.

A detailed report will be made at the House of Delegates meeting.

Respectfully submitted,

Dwight H. Murray, *Chairman.*

COMMITTEE ON ASSOCIATED SOCIETIES AND TECHNICAL GROUPS**Executive Group**

John V. Barrow, Chairman, 1946
 Clarence E. Rees, 1945 Anthony B. Diepenbrock, 1947

To the President and the House of Delegates:

The Associated Societies and Technical Groups have worked this year, as last year, without meetings or con-

sultation with each other. However, we have done our part in the work as associated with the Nursing Association and in whatever way we could be of help to the Woman's Auxiliary.

A great deal of work has been done and accomplished with the Physicians' Aid Association in assisting in the fund to be used for needy doctors as the opportunity offers.

We shall be glad to supplement our report more in detail to the Council at its regular meeting. We are always glad to have work assigned to us directly from the President and Council of the Association.

Respectfully submitted,

John V. Barrow, *Chairman.*

COMMITTEE ON HEALTH AND PUBLIC INSTRUCTION**Executive Group**

J. C. Geiger, Chairman, 1946
 C. M. Burchfiel, 1945 E. Earl Moody, 1947

To the President and the House of Delegates:

Members of the Committee on Health and Public Instruction have held no meetings whatever during the past year.

Several matters, however, all legislative, of great public health interest have developed. The various bills on compulsory health insurance have been studied and are being freely discussed.

Recent months, more than ever before, have seen the development of concentrated interest in and extensive discussion, especially in legislative halls, of the problem of medical care, particularly as to governmental participation in its solution.

American medicine today leads the world, scientifically and in all its humane aspects. Much of the discussion is built around public health and the lack of medical care. Public health, as such, is really not the duty of organized medicine. It is the duty of government, whether it be city, state or nation. Therefore, if there has been any neglect of public health in any locality, the blame should be placed where it belongs—on government.

Adequate medical care in all its ramifications, (which would include clinics, dispensaries, hospitals, and the necessary laboratory tests and home visits) should be divided into three groups: (1) Those who cannot pay because of a disproportion between income and their medical needs; (2) those who should pay but find themselves in great difficulty because of their own budget limitations and ineptness in planning for illness; and (3) the smaller group who can pay for anything at any time.

Experience with the first group is available in San Francisco. With the second group, there is no doubt that medical opinion has been divided, but that division is more apparent than real. The division is in two schools: (1) compulsory health insurance, which many feel very definitely that these United States should never adopt; (2) voluntary health insurance which a large portion of the medical profession thinks should be the American system, and whereby the patient may have at a reasonable cost, choice of hospital and choice of physician.

The dentist and the nurse, especially in home care visits, are seldom, if ever at all, mentioned in such scheme, and yet the nurse is indispensable for the care of the ill, as is likewise the dentist in a great variety of diseases. Moreover, the seeming neglect of post-graduate training for the physician is an oft-repeated challenge not yet entirely answered by organized medicine or the medical colleges.

In San Francisco the limitations of government in medicine are thought consistent and there is no medical or public health neglect within the budget allowed. The

institutions of the Department of Public Health include the San Francisco Hospital, the Laguna Honda Home, the Hassler Health Home and the Emergency Hospital and ambulance service. More closely allied to the institutional section administratively, but also very closely related to the medical-dental-nursing section, are the chest diagnostic centers, the outpatient obstetrical service, the venereal disease diagnostic and treatment centers and the city physicians, treating persons in their homes.

If the program of public health should include hospitalization and home care of the indigent (classified as such because of their medical needs and limited earning capacity), which has not been the case heretofore in many localities, then again the matter is for government through health departments and not through organized medicine. There still would remain the care of the moderate income group. It is this group that becomes the piece de resistance for argumentative health insurance advocates.

It may be of interest to note that there has been a truly spectacular achievement of nonprofit health plans during the past eleven years. Despite the development which has taken place there are many who believe, and many who contend, that these plans have reached their full development and cannot be expected to reach a large proportion of the people. It has been predicted, however, that with the support of the medical and allied professions, and with the support of hospital trustees and executives, the people of this country can be relieved of the financial burden of curative health care within a reasonably few years through medical plans and the companion hospital plans.

It can be safely said today that the medical profession of California has actively participated in the development of prepayment medical and hospital care and has made a sound investment in its California Physicians' Service, the potential of which, from both the social and economic points of view, represents unknown resources which only time can reveal. The California Physician's Service should receive the support of Labor organizations and Federal Housing Agencies involved in housing workers in areas of concentration of population due to war industries.

The second matter of public health interest has been the various dairy bills, especially S.B. 153. The most important aspect of this bill is its bearing on the public health and the welfare of labor in this city.

The bill is designed to place all country dairy and milk inspection under the State Department of Agriculture, and to deprive the Approved Milk Inspection Services of cities and counties of the right to require additional safeguards which our conditions demand, and which are not provided for in the State Agricultural Code.

That part of the bill between lines 5 and 16, inclusive, on page 5, which declares that "No provision of this division . . . is a limitation on the power of the municipality," etc., is nothing more or less than camouflage, for it does take away authority which we now have, and does not actually grant anything in return.

While the bill would prohibit cities and counties from inspecting producing dairies and milk shipped therefrom into the cities, the cities would be compelled to sample producers milk and maintain a laboratory for bacteriological and chemical examination of such samples without being permitted to recover the cost thereof, a cost which should be assumed by the State, should this bill become law.

The tuberculin testing of dairy cattle would be adversely affected and the physical examination of herds would be made infrequently and by unqualified personnel.

Requirements for farm structures would be weakened, and chemical sterilization would be permitted. Raw milk

would be permitted and milk pasteurized outside the city could be sold within the city. Pasteurization is the most important safeguard, yet by the terms of this bill we would have no control over milk pasteurized outside the city and sold within it.

Briefly, this bill should be opposed and defeated on the grounds that its enactment would jeopardize the public health of this city and deprive personnel of this city government and other workers, of their livelihood, by reducing the number of employments in the dairy industry in this city.

The responsibility for the protection of the milk supply should be placed in one agency. This bill definitely divides the responsibility, practically lowers all the standards set by our local ordinances, especially pasteurization and sterilization of equipment. No health officer could possibly subscribe to this bill in any form or manner.

Respectfully submitted,

J. C. Geiger, *Chairman.*

COMMITTEE ON HISTORY AND OBITUARIES

Executive Group

Morton R. Gibbons, Sr., Chairman, 1947
Robert A. Peers, 1945 Hyman Miller, 1946
George H. Kress, *ex officio*

To the President and the House of Delegates:

The following is a brief "Report of the Committee on History and Obituaries."

War activities and physician shortage have diverted attention almost entirely from gathering of data concerning local current medical history, to National medical history in the making on a vast and rapidly expanding scale.

The Committee is accumulating all information which comes its way. It is hoped that details will be preserved by County Societies, as has been requested of them, so that compilation of California medical history may be resumed when there is again time, after V Day.

During the coming year, if sufficient clerical help is made available, the Committee hopes to carry out its plan of securing desirable information from all C.M.A. members who are or who have been in the Armed Forces. Lack of clerical assistance has made this impossible to date.

Respectfully submitted,

Morton R. Gibbons, Sr., *Chairman.*

In Memoriam

Alameda County

Vernon George Alderson (April 24, 1944)
Daniel Crosby (July 15, 1944)
Ruby L. Cunningham (June 25, 1944)
Carl Eduard Curdts (February 27, 1944)
Henry Louis Dietz (December 12, 1944)
Pauline Glaser Drennan (April 14, 1944)
Arthur Montell Smith (July 22, 1944)
Edward Kirby Ward (April 26, 1944)
Ossie Frank Wilmeth (August 25, 1944)

Butte County

Leslie Freudenthal (March 1, 1944)

Contra Costa County

Charles Robert Blake (December 27, 1944)

Fresno County

Harold Carold Soucey (December 25, 1944)

Kern County

George Edward Bahrenburg (December 20, 1944)
Henry George Crease (August 15, 1944)

Lassen County

George Scott Martin (October 8, 1944)

Los Angeles County

Kurt Friedrich Behne (January 15, 1944)
Oliver Preston Bourbon (April 25, 1944)
Robert Law Cunningham (September 10, 1944)

Edward Draper Curtin (In military service)
 George Willoughby Dye (April 1, 1944)
 Carl Fisher (June 7, 1944)
 Atticus Greene Haygood (June 27, 1944)
 Charles Henry Hayton (October 9, 1944)
 Greg Hoskins (May 10, 1944)
 Paul Mallers Hunter (April 28, 1944)
 Milbank Johnson (October 3, 1944)
 Roy Howard Johnson (July 24, 1944)
 Ethel Leonard (April 12, 1944)
 Elmer William Little (September 8, 1944)
 John Galbraith Mackey (February 12, 1944)
 Edward Clarence Moore (July 10, 1944)
 Arcadio Tigrío Obando (November 5, 1944)
 Edward M. Pallette (November 16, 1944)
 Jeddiah William Pidcock (October, 1944)
 Frances M. Preston-Brown (August 18, 1944)
 Albert Clifton Sellery (November 24, 1944)
 Mark Harrison Smith (September 8, 1944)
 Arthur Gilman Tullar (October 11, 1944)
 Jesse Harold Turner (November 20, 1944)
 Edward Huntington Williams (June 24, 1944)
 Norman Harris Williams (December 18, 1944)

Merced County

Walter E. Lilley (March 31, 1944)

Monterey County

Maritn McAulay (November 3, 1944)

Nevada County

Dwight David Johnson (October 30, 1944)
 Carl Power Jones (October 18, 1944)

Plumas County

John Wesley Moore (March 10, 1944)

Riverside County

James Albert Connell (September 24, 1944)
 William Wallace Roblee (January 25, 1944)
 Ralph Merle Smith (November 28, 1944)

Sacramento County

Wallace Rideout Briggs (December 18, 1944)
 Eugene H. Pitts (May 1, 1944)
 Charles Edward Schoff (May 28, 1944)

San Bernardino County

Robert Morris Dunsmoor (November 7, 1944)
 Scott Ryerson (September 17, 1944)

San Diego County

Frank Albert Burton (April 25, 1944)
 Maynard Caldwell Harding (February 12, 1944)
 Harris James Stewart (October 31, 1944)

San Francisco County

Milton R. Alanson (August 16, 1944)
 George Henry Boskowitz (February 24, 1944)
 Walter Bernard Coffey (March 25, 1944)
 Jerome Konigsberg (February 4, 1944)
 Thomas Joseph Lennon (November 13, 1944)
 William Murray Malone (February 17, 1944)
 Leo Louis Meininger (October 9, 1944)
 George Bernhard Miller (July 14, 1944)
 Oscar Frederick Nolan (November 12, 1944)
 Fermin Ralph Orella (December 4, 1944)
 Albert Victor Pettit (November 19, 1944)
 Charles Bradley Pinkham (July 14, 1944)
 George Kremer Rhodes (July 23, 1944)
 Howard Somers (January 21, 1944)
 Isaac Walton Thorne (December 23, 1944)

San Joaquin County

George Proctor Cooper (July 18, 1944)
 Treva Really Trick (July 20, 1944)

San Luis Obispo County

Henry Fenno Sawtelle (December 2, 1944)

Santa Barbara County

Henry James Profant (April 29, 1944)

Santa Clara County

Howard Black (September 21, 1944)
 Leonard Wheeler Ely (June 17, 1944)

Santa Cruz County

Angelo David Garibotti (December 14, 1944)
 Frederick Herman Koepke (May 18, 1944)

Tulare County

Reuben Chandler Hill (November 20, 1944)

Yuba County

Everett Edwin Gray (February 6, 1944)
 George West Stratton (August 29, 1944)

Ventura County

William Rodman Manning (January 10, 1944)

COMMITTEE ON HOSPITALS, DISPENSARIES AND CLINICS Executive Group

Roy E. Thomas, Chairman, 1947
 J. Norman O'Neill, 1945 Benjamin B. Black, 1946

To the President and the House of Delegates:

Under these wartime conditions the public and even the private hospitals have been greatly handicapped through lack of adequate personnel in both the attending and the house staffs. In these institutions every effort is being made to carry on work to as good advantage as possible under existing conditions.

It has been encouraging to note in the newspapers that the State Board of Public Health proposes to bring into being laws that will make for an improvement in registration and standardization of hospital work.

Efforts to promote such objectives are worthy of support.

Respectfully submitted,
 Roy E. Thomas, *Chairman*.

COMMITTEE ON INDUSTRIAL PRACTICE Executive Group

Donald Cass, Chairman, 1945
 Carl L. Hoag, 1946 N. P. Dunne, 1947

To the President and the House of Delegates:

Your Committee on Industrial Practice has had no meetings during the past year. The development of Industrial Fee Schedules and Proposed Legislation which the California Medical Association has forwarded to the Legislature has to do with the increase in fee schedule for industrial practice and also for regulatory powers of Industrial Accident Commission in the establishment of future fee schedules. This work is practically all being done now by a special committee headed by our legal staff, Mr. Hartley Peart.

It will be interesting and important as time passes, especially after the present Legislature meets, for this committee to carry on the supervision of Industrial Practice in conjunction not only with the State Medical Association but also with the association of Industrial Surgeons.

Respectfully submitted,
 Donald Cass, *Chairman*.

COMMITTEE ON MEDICAL ECONOMICS Executive Group

Glenn F. Cushman, Chairman, 1947
 C. A. Broadus, 1945 Edward C. Pallette, 1946

To the President and the House of Delegates:

Because two of the members of this committee are in service, very little active work has been done.

The economic phases of proposed sickness insurance laws now pending in the California Legislature is given consideration elsewhere. Also the efforts to secure a readjustment in fee tables of California Industrial Accident Commission.

Respectfully submitted,
 C. A. Broadus, *for the Committee*.

COMMITTEE ON MEDICAL EDUCATION AND MEDICAL INSTITUTIONS Executive Group

B. O. Raulston, Chairman, 1947
 L. R. Chandler, 1945 William J. Kerr, 1946

To the President and the House of Delegates:

It appears that with the end of the present calendar year the Army and Navy will no longer assign groups of students to medical schools as they have done during the last few years. Unless some arrangement is made whereby premedical students may be deferred from military service, the schools must depend upon men who are physically unqualified for such service, and women. If

such is to be the arrangement there will of necessity be a considerable change in the student body, in comparison to previous times. It is hoped that there may be changes in the military program that will influence favorably the supply of students for the freshman classes of the medical schools for 1946. The number of veterans who will be ready for medical school is not expected to alter this situation materially during the next year.

Accelerated programs of training are to be continued for all students who are in the Army or Navy units of the medical schools, although the schools may admit but one class per calendar year if they choose.

Provision for an adequate number of residencies and of post graduate courses for those who are to return from military duty constitutes a serious problem. Each of the four schools in California has a committee working on plans for such training.

The possible influence of compulsory health insurance upon medical education has had careful consideration. Discussion of this subject would be too lengthy for this report. It may be said that at least the most discussed bills dealing with this subject have given careful consideration to possible effects upon medical education and that their sponsors have indicated an earnest desire to avoid any interference with the existing teaching programs.

The possibility of Federal Government support of research work in medical schools during the post-war period is interesting, and probably vitally important.

Respectfully submitted,

B. O. Raulston, *Chairman*.

COMMITTEE ON MEDICAL DEFENSE

Executive Group

Nelson J. Howard, *Chairman*, 1947

C. Kelly Canelo, 1945

Louis J. Regan, 1946

To the President and the House of Delegates:

Executive Secretary John Hutton has written to all State Medical Societies enclosing a questionnaire on malpractice insurance compiled by Mr. Hunton, Mr. Hasard and the writer. The replies of the individual states are coming in and when carefully studied should furnish valuable material to aid in solving malpractice insurance problems for the doctors of our State.

Respectfully submitted,

Nelson J. Howard, *Chairman*.

COMMITTEE ON PUBLICATIONS

Executive Group

George W. Walker, *Chairman*, 1946

Francis E. Toomey, 1945

C. Burton Jones, 1947

George H. Kress, *ex-officio*

To the President and the House of Delegates:

It has been difficult in the past years, because of Government restrictions, to find space to publish all that should have been published. Extra demands brought on by essential wartime articles have crowded other meritorious material, but every effort possible has been made to publish all for which room could be found.

Respectfully submitted,

George W. Walker, *Chairman*.

COMMITTEE ON POST GRADUATE ACTIVITIES

Executive Group

F. E. Clough, *Chairman*, 1946

Frank A. MacDonald, 1945

H. F. Freidell, 1947

George H. Kress, *Secretary, ex-officio*

To the President and the House of Delegates:

The work of the Postgraduate Committee has been at very low ebb during the past year. So many more important matters have presented themselves that scientific medical meetings throughout the State have been super-

ceded, to a large extent, by meetings limited to the discussion of economic problems.

Then, too, so much work has been piled on the doctors remaining in private practice that they are too exhausted to attend medical meetings where further mental effort is necessary.

Through the secretary's office of the Association Secretary, who functions as secretary of the Postgraduate Committee the usual supply of medical reprints, journals and other materials has been sent to the various army and navy hospitals throughout the State.

During the coming year, it is hoped to make available for use, medical and surgical films.

The committee begs the indulgence of the association for such limited work.

Respectfully submitted,

F. E. Clough, *Chairman*.

COMMITTEE ON PUBLIC RELATIONS

Executive Group

Donald Cass, *Chairman*

To the President and the House of Delegates:

The Committee on Public Relations has not been active as such during the past year. The Committee contains on its roster of members many who are members of the Council and other committees. The Committee on Public Relations has had no occasion for meetings in as much as our Public Relations activity has more or less entirely been taken from the hands of regular committees and assigned to professional full-time employees as well as to special committees who are closely in coöperation with our Public Relations Staff.

Public Relations in the future will become more and more important and unquestionably the Committee will assume greater responsibilities as it is possible to relegate some of these activities to the Committee Members, but at present with the press of imminent compulsory health service in the offing, we will probably find that Public Health Relations will be committed entirely to our professional employees.

Respectfully submitted,

Donald Cass, *Chairman*.

COMMITTEE ON SCIENTIFIC WORK

Executive Group

George H. Kress, *Chairman, ex-officio*

Howard F. West, 1945

Fletcher B. Taylor, 1946

J. Homer Woolsey, 1947

Salvatore P. Lucia, *ex-officio (for Medicine)*

Leon Goldman, *Ex-officio (for Surgery)*

To the President and the House of Delegates:

When World War II began, it became necessary to change the four-day session of the annual conference of the California Medical Association to two-day, streamlined meetings. Several years ago Hotel Del Monte, in Del Monte, at the suggestion of the C.M.A. Committee on Scientific Work, erected a pavilion with some eight assembly rooms, and it was hoped that thus an arrangement had been created through which members of the California Medical Association from all parts of the State would be able to attend Annual Session meetings with a minimum of inconvenience, and in an environment where the facilities would make for a maximum of scientific and other benefits.

However, the Navy moved in and took over the Hotel Del Monte and its assembly pavilion. Nevertheless, if the Hotel should ever become operative again, the additional meeting rooms erected by the Navy will make Del Monte more attractive than ever to the California Medical Association as a meeting place.

Since Hotel Del Monte was no longer available, it became necessary to secure accommodations at the only

other hotel in California able to provide an adequate number of meeting rooms with facilities for non-resident members. Such a place was found in the Hotel Biltmore in Los Angeles, where a battery of twelve assembly rooms could be used.

However, some months ago new complications arose, due to the announcement by the Federal Office of Defense Transportation that all conventions that would require transportation from any distance of more than 50 persons, with resultant wartime interference in hotel accommodations and use of manpower in hotels, should be given up for the Duration. This ruling necessitated a complete revision of C.M.A. annual session plans.

Accordingly, transportation for the members of the business division of the organization, the C.M.A. House of Delegates, was limited to less than fifty persons.

The scientific meetings were placed under the auspices of the Los Angeles County Medical Association, because the attendance at those meetings will be practically limited to members of that and other near-by county medical societies, who can use their own auto or local service. The attendance should be good because the Los Angeles County Medical Association has in excess of 3,000 members, being exceeded in number by only ten state associations (New York, 18,908; Pennsylvania, 9,951; Illinois, 8,623; [California, 7,550]; Ohio, 6,752; Massachusetts, 5,528; Texas, 4,607; Michigan, 4,567; New Jersey, 4,294; Indiana, 3,397; Missouri, 3,252.)

The Committee on Scientific Work proposed that annual session papers submitted by C.M.A. members who are non-residents of Los Angeles be read by title; that is, the papers placed on the program and so become eligible for publication in CALIFORNIA AND WESTERN MEDICINE, even though the authors were not in attendance, and the Council approved this plan.

The Central C.M.A. Committee on Scientific Work extends thanks to the Officers of the thirteen Scientific Sections who have rendered excellent coöperation in securing papers under the adverse conditions now prevailing.

Special thanks are due the Wartime Graduate Medical Meetings Committee, which has been working in conjunction with the American Medical Association, the American College of Physicians, and the American College of Surgeons. The Committee for the 24th Zone (Southern California) consists of: Lt. Comdr. George C. Griffith, (MC), USNR, Corona, chairman; Capt. Harry P. Schenck, (MC), USNR, Oceanside; Wayland A. Morrison, M.D., Los Angeles; and James F. Churchill, M.D., San Diego.

The undersigned chairman of the Committee on Scientific Work is under special obligation to Lt. Comdr. George C. Griffith of Corona for the generous help rendered by the Wartime Graduate Medical Meetings Committee, because through Dr. Griffith, it has been possible to secure from nearby Army, Navy and Air Force camps some fourteen essayists, most of whom in civilian life occupied important teaching and hospital positions in other States of the Union.

This year, the complete program of Scientific Sections with abstracts of papers will not be printed in CALIFORNIA AND WESTERN MEDICINE. However, a list of the papers will appear in the *Bulletin of the Los Angeles County Medical Association*, and at the meetings, the usual program containing abstracts will be distributed to all who are in attendance.

These explanatory comments have been made for the information of members who may not be aware of the conditions under which it has been necessary to proceed with the work this year.

Thanks are extended to all who have rendered coöperation.

Respectfully submitted,

George H. Kress, *Chairman*.

COMMITTEE ON ORGANIZATION AND MEMBERSHIP Executive Group

J. F. Doughty, Chairman, 1945

L. H. Rederlings, 1946

Carl F. Mulfinger, 1947

To the President and the House of Delegates:

In accordance with the Constitution and By-Laws there is appended herewith, a summary of the C.M.A. County Society membership totals for the year 1944, as compiled by our central office.

In an effort to be helpful to the men who are returning from the military services, a letter has been written to each component society urging that special attention be devoted to securing the membership of these individuals promptly. We desire the advice and leadership of these men in the problems facing the medical profession. We wish to give them every assistance possible in the resumption of civilian practice.

Respectfully submitted,

J. F. Doughty, *Chairman*.

C.M.A. County Society Membership Totals for Year 1944

County Medical Societies	Mem- ber- ship in 1943	Number Licensed Physicians (1944 State Directory)* (C.M.A. and non-C.M.A.)	Civilian C.M.A. Mem- bers in 1944	Military C.M.A. Mem- bers 1944	Total C.M.A. Mem- bers 1944
Alameda	612	754	449	187	636
Butte-Glenn ...	38	39	26	10	36
Contra Costa ..	57	97	61	7	68
Fresno	151	141	115	41	156
Humboldt	36	37	24	12	36
Imperial	28	23	15	10	25
Inyo-Mono	11	11	8	4	12
Kern	76	97	58	20	78
Kings	23	20	14	9	23
Lassen-Plumas- Modoc	22	22	15	5	20
Los Angeles ...	2,922	4,031	2,289	806	3,095
Marin	50	56	34	18	52
Mendocino-Lake	29	36	18	10	28
Merced	34	23	14	16	30
Monterey	70	72	50	25	75
Napa	39	46	32	9	41
Orange	127	138	96	39	135
Placer-Nevada- Sierra	39	38	28	10	38
Riverside	74	108	60	19	79
Sacramento	174	167	127	51	178
San Benito	9	10	5	2	7
San Bernardino	166	180	135	48	183
San Diego	349	436	256	111	367
San Francisco ..	1,168	1,491	804	393	1,197
San Joaquin	107	88	72	38	110
San Luis Obispo	32	31	25	5	30
San Mateo	94	109	76	22	98
Santa Barbara ..	127	108	85	43	128
Santa Clara	234	225	155	78	233
Santa Cruz	46	43	30	15	45
Shasta	26	20	18	8	26
Siskiyou	15	18	12	2	14
Solano	47	68	44	5	49
Sonoma	72	72	53	20	73
Stanislaus	52	53	39	17	56
Tehama	7	15	7	1	8
Tulare	53	56	40	16	56
Ventura	53	52	32	20	52
Yolo	29	17	15	12	27
Yuba-Sutter- Colusa	29	24	16	11	27
Total	7,327	9,072	5,452	2,175	7,627

* Note. The numbers of licensed physicians under the respective counties are those which appear in such listings in the 1944 Directory of the State Board of Medical Examiners. The State Board of Medical Examiners does not list in the county rosters the names of licensed physicians who are in military service. These are listed in the alphabetical index which commences on page 53 of the 1944 Directory, the name of each such military member being marked by a star.

EDITORIAL BOARD

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Albert J. Scholl, Los Angeles

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Lambert B. Coblenz, San Francisco
 Fred D. Heegler, Napa
 Albert J. Scholl, Los Angeles
 George W. Walker, Fresno

Anesthesiology:

H. R. Hathaway, San Francisco
 Lawrence D. Lee, Los Angeles

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William H. Goeckerman, Los Angeles
 H. J. Templeton, Oakland

Eye, Ear, Nose and Throat:

Frederick C. Cordes, San Francisco
 L. G. Hunnicutt, Pasadena
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 L. Dale Huffman, Hollywood
 Mast Wolfson, Monterey

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 Fred D. Heegler, Napa
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 George W. Pierce, San Francisco

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 Donald G. Tollefson, Los Angeles

Pediatrics:

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Pathology and Bacteriology:

Alvin J. Cox, Jr., San Francisco
 R. J. Pickard, San Diego

Radiology:

R. R. Newell, San Francisco
 Henry J. Ullmann, Santa Barbara

Urology:

Lewis Michelson, San Francisco
 Albert J. Scholl, Los Angeles

Pharmacology:

W. C. Cutting, Menlo Park
 Clinton H. Thienes, Los Angeles

To the President and the House of Delegates:

Thanks are hereby given to members of the Board for their valuable assistance and ideas.

The demand for space has increased considerably even over previous years, and the reduction in size of the CALIFORNIA AND WESTERN MEDICINE obtains as of last year.

Impending federal legislation on such subjects as the Wagner-Murray-Dingell Bill together with the need for space to cover special council meetings take up many pages. In recent months the various reports on Association activities have required from ten to fifteen pages per issue.

The Executive Committee of the Editorial Board recommended to the Council, the great need of additional help in the Editor's office. Under existing conditions it is not possible to properly maintain the files and keep up with proper editorial work.

In spite of these greater demands for space, our editor has been able to find room for many worth-while scientific and general papers.

Respectfully submitted,

Albert J. Scholl, *Chairman.*

COMMITTEE ON PARTICIPATION OF THE MEDICAL PROFESSION IN THE WAR EFFORT

* * *

PROCUREMENT AND ASSIGNMENT SERVICE

Executive Group

Harold A. Fletcher, San Francisco
 Chairman for Northern California
 William H. Kiger, Los Angeles
 Chairman for Southern California

To the President and the House of Delegates:

During the past year the program for the Procurement and Assignment Service for Physicians in northern California has been a very busy one. A continual checking and re-checking of surveys as to the ratio—of doctors to population has been kept up. There have been many changes in population as well as in the supply of doctors in various localities. One of the chief parts of the program has been that of relocation of physicians where needed. A large number of physicians have been relocated in various needed areas. These physicians have been from out of the State or from one area in the State to another, and in addition, physicians who have been discharged from the military forces.

Very few physicians have been made available for the military forces during the past year. With the exception of a few large centers, the bottom of the barrel has been reached, and only an occasional physician can be made available, and such physicians only when they can be replaced by someone else. The army discontinued accepting physicians from civilian life during the middle of 1944. This was in order to give the navy a chance to recruit more medical men. However, California has very few men who can be released to the military forces.

A recent check-up in this office shows that 70 male physicians and 53 female physicians in Northern California under 38 years of age have never been made available and have therefore never applied for military commissions. These 70 physicians have essential positions and could not be released.

The Central Board of Procurement and Assignment Service realizing the above facts, has made no additional quota as far as California is concerned. Certain states have never met their quota and they still have a great many available physicians, particularly in the crowded eastern cities. Recruitment in those places has been particularly slow, and California can well feel proud of its contribution to the military forces of physicians.

The Coordinating Committee on medical care of the Procurement and Assignment Service has been busy during the last year with many medical problems. The problems taken by this Committee have been the endeavor to solve the needs of medical care in various expansion areas. It has given a good deal of time and study to the problems of the Nurses' Procurement and Assignment Service, endeavoring to help the nurses in their very critical task of providing the needed nursing care for the military forces, as well as maintaining a reasonable distribution on the home front.

The remaining problem for the Procurement and Assignment Service is mostly one of relocation of physicians. It is my opinion that this problem should be turned back to the State Society in the near future. The problems entail hundreds, if not thousands, of physicians who are contemplating locating in California, either before the end of the emergency or immediately thereafter. This will confront California with a good many problems, and I feel that the medical profession, as represented by the California Medical Association, will take this problem very seriously, with the definite idea of guiding the problems in the future. The various component county medical societies have been very helpful in backing up the Procurement and Assignment Service in the problems of relocation of physicians where they are needed.

Respectfully submitted,

Harold A. Fletcher, *Chairman.*

COMMITTEE ON LOCAL ARRANGEMENTS

Executive Group

E. T. Remmen, Chairman
 Louis G. Regan
 George H. Kress, ex-officio
 Ralph B. Eusden
 S. K. Cochems

To the President and the House of Delegates:

The report of the Committee on Scientific Work will explain the difficulties met with this year because of the rules of the Federal Office of Defense Transportation.

As stated in CALIFORNIA AND WESTERN MEDICINE, the scientific meetings will be held this year largely under the auspices of the Los Angeles County Medical Association, in order to comply with the Washington, D. C., directive to avoid all unnecessary railroad transportation.

The Committee on Scientific Work has arranged to use the facilities of the Elks Temple and the Los Angeles County Medical Association headquarters. Publicity concerning the programs will be given in the "Bulletin of the Los Angeles County Medical Association."

Respectfully submitted,

E. T. Remmen, *Chairman.*

COMMITTEE ON PHYSICIANS' BENEVOLENCE

Executive Group

Axcel E. Anderson, Chairman
 Robert A. Peers
 Elizabeth Mason-Hohl

To the President and the House of Delegates:

For the calendar year 1944 the Physicians' Benevolence Committee had receipts of \$6,589.58 and made disbursements of \$3,600, leaving the accumulated funds of the committee at \$13,945.28 at the year-end.

Receipts from the California Medical Association at the rate of \$1 per active member amounted to \$5,498; the Woman's Auxiliary contributed \$1,041.58, and interest on savings accounts totaled \$50.

Disbursements were made to the Los Angeles County Physicians' Aid Association, which has had the burden of caring for our needy colleagues with funds collected from individual subscriptions. This association last year looked after the needs of thirty-one persons, including physicians and their dependents. These people were cared for in nursing homes and hospitals, were supplied with items beyond their own budget possibilities and were eased over many rough spots which could not be smoothed out by other means at their disposal.

After this care had been given, the Physicians' Benevolence Fund showed \$7,293.50 on hand in its current account at the close of 1944 and another \$6,651.78 in savings accounts which are intended to serve as a nucleus for a permanent endowment fund. The contribution of the C.M.A. and the Woman's Auxiliary has made it possible to meet our daily needs and to set aside funds for the endowment drive. Our appreciation is gratefully expressed to both these organizations for their willing help in this worthy cause.

Respectfully submitted,

Axcel E. Anderson, *Chairman.*

REPORT OF DELEGATES TO THE AMERICAN MEDICAL ASSOCIATION

Delegates

Dwight L. Wilbur....(1944-1945) Anthony B. Diepenbrock
 S. J. McClendon.....(1944-1945).....Bon O. Adams
 Lowell S. Goin.....(1944-1945).....Leo J. Madsen
 Dwight H. Murray...(1944-1945).....John W. Green
 H. Gordon MacLean...(1945-1946).....Leopold H. Fraser
 E. Vincent Askey(1945-1946)....Donald G. Tollefson
 John W. Cline.....(1945-1946).....C. Kelly Canelo
 Donald Cass.....(1945-1946).....Ralph B. Eusden

Alternates

To the President and the House of Delegates:

The California delegation to the A.M.A. reported its activities to the Council in August, 1944, and this report

has already been published. A summary report is therefore in order at this time.

Doctor Murray was elected chairman of the delegation, which was a complete roster of the elected delegates. Doctor Wilbur was selected to present the California resolutions, seven in number.

On action by the A.M.A. House of Delegates, the California resolutions were decided as follows: three were passed, either as written or in principle, and four were rejected. Approved were resolutions calling for the creation of a Federal Department of Health, to be headed by a cabinet officer, and two resolutions proposing a more acceptable E.M.I.C. program under the Children's Bureau. Rejected were resolutions asking for a nationwide survey of public opinion, a resolution asking A.M.A. approval of the United Public Health League, and the two California resolutions suggesting changes in the official A.M.A. staff.

The delegation left the 1944 A.M.A. meeting with the feeling that it had truthfully represented the wishes of the C.M.A. House of Delegates and had done its best to accomplish its instructed purposes. It is felt that many friends have been made and that California programs in later years will find more adequate support in the A.M.A. House of Delegates.

The Delegates have suggested that future California delegations to the A.M.A. should hold preliminary caucuses before leaving California and prior to the opening of the A.M.A. sessions. In this way it is believed that much greater accomplishments can be gained.

Respectfully submitted,

Dwight H. Murray, *Chairman.*

CANCER COMMISSION

Executive Group

Harold Brunn, Chairman, 1946
 Lyell C. Kinney, Vice-Chairman, 1946
 Otto H. Pflueger, Secretary, 1946
 Alson R. Kilgore, 1945
 George Sharp, 1947
 Henry J. Ullmann, 1945
 Whitfield Crane, 1947
 Gertrude Moore, 1947
 Clarence J. Berne, Secretary for Southern Section, 1945

To the President and the House of Delegates:

As Chairman of the Cancer Commission of the California Medical Association, I wish to submit the following report.

As before your Committee has coöperated with the Women's Field Army of the American Society for the Control of Cancer now called the American Cancer Society, headed by Dr. C. C. Little of Bar Harbor, Maine. The American Cancer Society has enlarged its operations and during the coming year will probably be the authority on cancer conditions throughout the United States. The Field Army has been most coöperative. They have sent out a considerable amount of literature to lay people and are planning radio talks and spot announcements on the radio. A list of members of the San Francisco County Medical Society is being prepared so that we may have available speakers to appear before lay organizations such as Women's Clubs upon request.

The month of April has been designated by the President of the American Cancer Society as the month which throughout the U. S. collections will be made for general and local use. On April 16th a dinner is projected at the Palace Hotel where prominent speakers from the East will explain the need of the work done by the Cancer Committee. We have hopes that Dr. Little will be present. We are also projecting one night at the County Medical Society for a cancer program.

There has been during this season a good deal of discussion in regard to the formation of a Detection Clinic in San Francisco. Your Committee discussed the subject and representation was also made to the San Francisco County Medical Society directors for recognition of this

work. It was the opinion of your Committee that San Francisco was peculiarly placed at the present time on account of the war effort. Not only is there an increase in our population but there is a depletion of our doctors. They felt that this was no time to start this new program but that it should be delayed until some of the men returned from the war. Also it would be necessary to have funds to carry out this plan which will require considerable expense. There was no desire to delay the program any further than necessary. Other cities have already put in motion such a plan but it was thought best owing to these circumstances that this project should be delayed at the present time.

It is recognized by the Committee that the little brochure on Cancer which was formulated through the work of Dr. Alson Kilgore and Dr. Otto Pflueger should be revised as considerable progress has been made in the treatment of cancer since the time of its distribution. Here again it was thought best to delay action until a later date for the reason given above.

Your Committee is still working on the problem of making cancer a reportable disease and also interesting the State of California in an enlarged cancer program and a report of these efforts will be made at a later date.

Respectfully submitted,

Harold Brunn, *Chairman.*

CALIFORNIA PHYSICIANS' SERVICE

Summary of Actions of the Board of Trustees of California Physicians' Service

May, 1944 to March, 1945

The new Board of Trustees of C.P.S. had its first meeting on May 8th, 1944. New members of the board are:

Chester L. Cooley, M.D., San Francisco
C. Glenn Curtis, M.D., Brea
P. K. Gilman, M.D., San Francisco
H. Randall Madeley, M.D., Vallejo
A. E. Moore, M.D., San Diego
C. L. Mulfinger, M.D., Los Angeles
Fletcher B. Taylor, M.D., Alameda

Continuing members are:

Dr. Ray Lyman Wilbur, Stanford University
T. Henshaw Kelly, M.D., San Francisco
Glenn Myers, M.D., Los Angeles
Rt. Rev. Msgr. Thomas J. O'Dwyer, Los Angeles
(re-elected)

At the organization meeting, the following officers were elected:

Ray Lyman Wilbur, President
Glenn Myers, First Vice-President
Fletcher B. Taylor, Second Vice-President
T. Henshaw Kelly, Secretary
Chester L. Cooley, Treasurer
C. L. Mulfinger, Assistant Secretary-Treasurer

I. REORGANIZATION

On June 11th, at the first regular meeting, Doctors Cline and Schaupp, representing the Executive Committee of the California Medical Association, spoke to the board in relation to the Foote, Cone and Belding report, and urged the employment of a highly competent over-all executive. A committee of three was appointed to seek the proper man.

The committee has found that skilled executives are extremely scarce, and those that can be found are currently employed at very high salaries. Competent men are reluctant to leave well-paid positions to embark on a new venture, strange to them and full of internal conflicts and confusions, and, unhappily, differences of purpose. Lately the political situation, both nationally and in California, has increased the board's difficulty in locating anyone who would be interested.

Thus through necessity there has been reorganization

of the existing administrative personnel of C.P.S., in a determined effort to use to the best possible advantage the trained people who have worked hard for C.P.S. since its beginnings. Without doubt, due to the necessity that C.P.S. operate and try to grow on a financial shoestring, the administrative personnel had not been efficiently organized, and several men had been forced—because there was no one else to do it—to undertake tasks for which they were not ideally suited.

A first step, and a major one, was to reorganize the Los Angeles office, which had not been functioning efficiently or to the satisfaction of the profession in the Southern area. Mr. Ebersole's transfer to the C.M.A. Department of Public Relations left a void. The loss of Dr. Hope, Assistant Medical Director, who entered the army about two years ago, had been seriously felt at all times. To correct this situation, the board directed Mr. William M. Bowman to take full charge of the Los Angeles office. He became Assistant Director, and has been in complete charge of the Southern territory since July, 1944. In the fall, Dr. W. H. Gardenier became the head of the Medical Department in the Southern area. Mr. Bowman has reorganized the Los Angeles office, and under the direction of the Executive Director (Dr. Larsen) has remedied many of the previous flaws.

At San Francisco, the administrative functions have been departmentalized. Dr. Larsen is Medical Director and Executive Director. Mr. Kelly, as Assistant Director, is in charge of office management procedures and accounting functions. He serves, in effect, as controller. Mr. Lyon is in charge of the War Housing Projects.

These and other definite administrative changes have markedly increased the efficiency of the organization.

II. NEW PAYMENT SYSTEM

At the June meeting the board approved a change in the method of operations of C.P.S. with relation to its payment to the profession. This was predicated on the belief that sufficient reserves had been accumulated so that a unit value could be safely predicted in advance of the actual information regarding income and expenditures. This, in effect, speeded up the payment to doctors by a matter of at least six weeks. The previous system required C.P.S. to wait until all bills had been received, and then the unit value was calculated on the basis of the net for that particular month.

III. ADMINISTRATIVE MEMBERSHIP

Consideration has been given to the report of Dr. Bruck, as Chairman of the Resolutions and Nominating Committee, that his committee had received suggestions from various members for lay Administrative Members. The board will have several names to present at the May meeting. Administrative Members are urged to come with other possible names.

IV. FEE SCHEDULE

The board was acquainted with the problems relative to the basic fee schedule of C.P.S. It was pointed out that the fee schedule in effect is one of the basic factors controlling the cost of service, and directly transfers this cost to the purchasing public. This fee schedule was originally developed by the organizers of C.P.S. and had been submitted to the various Specialty Sections of the C.M.A. for revision in 1940. Subsequent hearings were held with subcommittees of these sections in 1942. Since then, specific items have been altered by action of the Board of Trustees. It is well to note that in all of its major items this schedule, due to local conditions, averages 25 to 30 per cent higher than those of any other Statewide plan in the East and Midwest, so that when the unit of C.P.S. was \$1.90, or 76 per cent of our par

value, C.P.S. could have been paying 100 per cent par value of the others.

It was the consensus that a thorough review of this fee schedule should be made again at this time, and that a permanent Fee Schedule Committee should be in operation, composed of members of the profession at large who had no formal connection with the activities of C.P.S. They were to be representative of metropolitan, urban and rural medicine, so that equitable adjustments in relation to these varying conditions could be made. It was felt that general practitioners and representative specialties should also be included. This committee is being appointed.

I. RELATIONS WITH HOSPITAL ASSOCIATIONS

Continuous coöperation with committees from C.M.A. and the Hospital Service Associations has been going on during the past year. Negotiations remain in a static position. Until there is one Statewide hospital plan, C.P.S. is not called upon to take any action.

VI. NEVADA

Consideration was given by the board to a request from the Chairman of the Nevada Medical Association's Committee on Medical Service and Public Relations, for assistance in developing a prepaid plan in the State of Nevada. The board has subsequently acted to assist Nevada in every way to accomplish this.

VII. NEW PROFESSIONAL MEMBERS

In the interest of securing an increasing number of professional members, C.P.S. has had the coöperation of the individual County Societies, through the Council of C.M.A., in providing information about C.P.S. to new members and resubmitting it to others who had not become members in the past, so that they might consider the advisability of becoming members. This activity has resulted in marked improvements in membership, especially in the County of San Diego, where more than 80 professional members have been acquired. In the State as a whole, since May of 1944, 450 doctors have either reaffirmed their coöperation to C.P.S. or have become new members. There are now 5,556 throughout the State.

VIII. BENEFICIARY MEMBERSHIP GROWTH

In May of 1944, membership in C.P.S. Commercial Program numbered 64,500. As of this writing (March, 1945), the membership is 123,000. C.P.S. almost doubled in size. This has been due to expanding acquisition activity, a better response by the public and employers; and equally, if not more important, the increasing solidarity of the medical profession as a whole in backing C.P.S., and the individual physician in rendering excellent service to beneficiary members. There are still many things, under these favorable conditions, that C.P.S. could do to increase its membership if it had resources independent of members' dues. It is the board's opinion that a comprehensive Statewide sales promotion program ought to be carried out as soon as possible. Such a campaign, however, is costly, and funds will have to be found elsewhere if it is to be done. Perhaps the C.M.A. could re-loan some of the funds returned to it.

It will be recalled that C.P.S. commenced operations in 1939 without any capital other than the \$5.00 contributed by each professional member. To furnish a capital fund, the C.M.A. loaned C.P.S. an aggregate of \$42,000. This money was used by C.P.S. during its organization period. Repayments on the loan were commenced in 1943, and in August, 1944, the loan was entirely repaid, so that at the present time C.P.S. is not financially indebted to the C.M.A.

IX. WASHINGTON, D. C., HEARINGS

Dr. T. Henshaw Kelly, as secretary of the board,

represented C.P.S. before the Pepper Subcommittee on Wartime Health and Education, where C.P.S. made a very favorable impression. It is of interest that C.P.S. was the only medical service plan in the country called before this committee, and it was Senator Pepper's statement that C.P.S. would be subject to further investigation by the committee's field staff.

X. INCREASED DUES (*Reasons for Action of Board*)

The actuarial status of C.P.S. was reactivated from the studies that have been going on since the beginnings of C.P.S. These have been under the direction of Mr. Ralph R. Nelson, Consulting Actuary to C.P.S. Mr. Nelson is Consulting Actuary to the Retirement Board, and also was instrumental in accomplishing the solvency of the San Francisco Health Service. Being one of the few actuaries acquainted with medical service plans, and having one of the best ratings among actuaries, he has been called upon frequently to advise methods of keeping statistics for use at periods when they may become necessary. Formal reports had been submitted in December, 1943, and January, 1944. These indicated the need for a change in rates.

He advised the board that sufficient experience had been accumulated so that conclusive advice could be given at this time to readjustments in order to achieve a more equitable unit value. The board felt it was timely that action should be taken, and asked for final recommendations.

Mr. Nelson told the board that there is enough actual data from C.P.S.'s own experience to prove that the unit cannot be more than about \$2.00 under the rates and benefits in effect at that time; that if the board wanted to increase the unit value to an amount comparable to fees charged moderate income patients in private practice, it was essential either to reduce benefits or increase rates.

We quote from Mr. Nelson's report:

"You have a choice of raising rates, reducing your benefits or lowering units—or any combination of these. To reduce your service . . . would be defeating the purpose you had in mind, to provide as nearly adequate medical service as you can give. In cutting out the first two visits, you did what was almost exactly necessary to handle medical service."

The board decided not to reduce benefits, but to increase rates, and it accepted Mr. Nelson's recommendations as to the amount of increase necessary in each instance. The new rates were approved, and are now in the process of being put into effect. The change should be completed by June of 1945 in the majority of groups. At our present annual income of \$1,500,000, the increases will bring an additional \$500,000 of income. With this it is estimated that there will be sufficient funds to wipe out any deficit that has accumulated due to delays beyond the control of C.P.S., and to provide for reserves which may eventually lead to increased benefits to the public.

Considerable apprehension toward this change was evinced by the Hospital Service of Southern California, with whom C.P.S. has joint acquisition activities. Preliminary contacts with groups concerning the rate change indicate that no great reaction on the part of the public will be encountered.

XI. INCOME CEILING

It has been felt that it was timely to again reconsider C.P.S.'s approach to the public with respect to the \$3,000 income limitation. It was felt that possibly there could never be a solution to this problem satisfactory to both the profession and the public. In the past, C.P.S. had attempted to meet it by issuing the surgical reimbursement contract to those with incomes above \$3,000, but this method has not proven satisfactory. In some respects it worked better for the profession, but these were out-

weighed by the unsatisfactory relations with the public.

C.P.S. has returned to its original system, and it is much the same as that used successfully in Michigan. This method requires individual physicians to be conscious of the incomes of C.P.S. beneficiaries, to the end that those with incomes under \$3,000 may not be charged additional amounts, but will receive service on the fee schedule of C.P.S. Those with incomes over \$3,000 will be instructed by C.P.S. representatives that additional charges may be made by the physician. The profession and the public generally are being informed of this. In effect, this action eliminates further issuance of the surgical indemnity contracts.

XII. RURAL PROGRAM

The Rural Health Program has continued throughout the year, with some decrease in membership due to the increase in farmers' incomes, so that they are therefore no longer eligible to become borrowers through the Farm Security Administration.

XIII. WAR HOUSING PROGRAM

The War Housing Program is continuing in Wilmington, Channel Heights (in the Long Beach area), Marin City and Vallejo. Most of the early difficulties of this complicated program have been overcome. The program was undertaken as a war emergency, and has definitely fulfilled its purpose.

In March, 1944, the Executive Committee of the C.M.A., to meet the problem of the shortage of medical care, urgently requested C.P.S. to establish an emergency medical center at Richmond to meet emergency needs in the area. As C.P.S. had no funds to undertake a project of this kind, the C.M.A. underwrote the expenses of starting and maintaining the emergency center, which continues to function.

XIV. LEGAL STATUS

C.P.S. is pleased to report that on February 15, 1945, the District Court of Appeal decided the case of California Physicians' Service vs. the Insurance Commissioner. This was the action commenced in 1940 to determine whether C.P.S. was or was not legally operating as a service organization. The court held entirely in favor of C.P.S., and decided that C.P.S. is not in the insurance business, but that it is a service organization in the nature of a cooperative. The original action of the 1938 House of Delegates in rejecting insurance and deciding in favor of a service plan has been fully vindicated.

SUMMARY

During the past year, therefore, the Board of Trustees attempted and failed to find a satisfactory overall executive in these times when few are unemployed.

The acquisition arrangements with Hospital Service of Southern California were completely reorganized, an Assistant Director for the south being placed in Los Angeles as the C.P.S. member of that Acquisition Committee, with the power of decision, and a subsection of the Executive Committee was appointed in Los Angeles to work more quickly and effectively in matters affecting our southern operations. Increase in production has resulted.

Changes have been made in office procedures, resulting in reduced costs and more rapid payment to professional members, and the rates of C.P.S. have now been fixed by actuarial study at the levels necessary to produce a \$2.50 unit, and these rates will be in effect in time to produce the needed increase in the income of C.P.S.

The relations between C.P.S. and its professional members have been improved, as well as public relations, by a carefully begun and operated program aimed particularly at the professional member relationships.

Needless to say, the agitation over compulsory prepaid medical care is affecting the acquisition program of C.P.S., but no effort is being spared to continue the expansion of beneficiary membership, pending the outcome of the present compulsory legislation.

The year 1944 and the changes introduced into C.P.S. therein had placed it in a very favorable position for rapid development. What its future is to be is undoubtedly bound up right now with the goings-on at Sacramento.

T. Henshaw Kelly, *Secretary*.

SPECIAL COMMITTEE ON MEDICAL AND HOSPITAL CARE FOR WIVES AND CHILDREN OF ENLISTED MILITARY PERSONNEL (E. M. I. C.)

Executive Group

Karl L. Schaupp, Chairman	
<i>Northern Subdivision</i>	<i>Southern Subdivision</i>
Karl L. Schaupp, Chairman	Donald G. Tollefson
Lawrence Jacobson	William B. Thompson
Mast Wolfson	B. O. Raulston
John W. Sherrick	Charles G. Curtis
	Sam J. McClendon
	George H. Kress, Secretary, ex-officio

To the President and the House of Delegates:

Commencing in CALIFORNIA AND WESTERN MEDICINE in its issue for July, 1943, as per footnote in the number for February, 1944, on page 76, a large number of informative items dealing with this important incursion on the part of the Federal Children's Bureau into the domain of medical practice were called to the attention of the members of the California Medical Association. Without reserve it may be stated that the action of the special committee appointed to represent the California Medical Association, which acted in cooperation with the Bureau of Maternal and Child Welfare of the California State Board of Public Health, in calling to the attention of the Federal Children's Bureau of the United States Department of Labor certain deficiencies and inadequacies in the rules and regulations put forth by the Federal Children's Bureau, had much to do with the rectification of certain errors. It may be recorded, for instance, that the insistence of the special committee of the California Medical Association in demanding that the minimum fee for the maternity-pediatric service to be rendered by doctors of medicine to wives and infants of soldiers in the Armed Services be at least \$50.00, had much to do with the establishment of that particular sum as the basic minimum standard that has since been inaugurated for other States in the Union.

Let it not be forgotten when the official representatives of the Federal Children's Bureau came to California they referred to fees of twenty-five and thirty-five dollars for all such prenatal, delivery and postnatal service, inclusive of complications! The committee of the California Medical Association insisted that such fees were out of all proportion to the worth of services rendered and insisted insofar as the State of California was concerned, that the physicians of California should not be called upon to make such donations to the treasury of the United States, even though such savings might presumably redound to the credit of a particular Bureau or Bureaucracy having its headquarters in Washington, D.C.

Many items having reference to the regulations of the Federal Children's Bureau have been considered and through direct conference by personal representatives and through indirect correspondence, were called to the attention of the Federal Children's Bureau. These problems had particularly to do with the rights of doctors of medicine in sparsely settled areas of California, where certified specialists and other accessory activities were not available, so that when these physicians were called upon to give such special service, they would receive compensation that was comparable to that granted to physicians

in the metropolitan areas. In some of these issues, the California Medical Association and the Bureau of Maternal and Child Welfare of the California State Board of Public Health were successful in bringing about remedial improvements. In others, the Federal Children's Bureau rendered the regulation negative answer so typical in these days, of many governmental bureaucracies.

From the beginning, the members of the California Medical Association announced their willingness to fully cooperate in the basic objectives of giving to the wives and infants of men in military service all adequate professional care. The controversial issues did not arise about the objectives, but on the contrary, dealt with the unlooked for and unnecessary directives, rules and regulations propounded by a small group of executives in one of the subdepartments of the United States Department of Labor.

Little more need be said, other than to add that the principles involved are of such a nature that the battle must be carried on to bring about an adjustment, so far as compensation for work rendered is concerned, that will not be a below-cost standard, when in other wartime endeavors dealing with supplies or manpower services, all else seems to be adjusted on a cost-plus basis.

Respectfully submitted,

George H. Kress, *Secretary*.

LIAISON REPRESENTATIVE TO CALIFORNIA VETERANS' COMMITTEE

To the President and the House of Delegates:

Governor Earl Warren on October 30, 1944, appointed a California Veterans' Committee under the chairmanship of William T. Sweigert to centralize affairs relating to returning California veterans. In February, 1945, Dr. Goin asked me to serve as a liaison between this Committee and the California Medical Association.

I have attended two meetings of this group and have discussed matters with them pertaining to the part which private physicians can play in helping to rehabilitate veterans. Physicians, particularly psychiatrists or those interested in psychiatric problems, may be asked to serve on local committees in order to advise and counsel returning veterans.

Respectfully submitted,

Frank A. MacDonald, *C.M.A. Representative*.

PROFESSIONAL ADVISORY COMMITTEE TO THE BUREAU OF VOCATIONAL REHABILITATION

Executive Group

John W. Cline, *Chairman*

J. B. Harris

E. Vincent Askey

Gertrude Moore

L. C. Kinney

To the President and the House of Delegates:

The Professional Advisory Committee to the Bureau of Vocational Rehabilitation with reference to the Physical Restoration Program has been augmented during the year.

On two occasions, it has met with representatives of the Bureau and has found them most cooperative. Where possible under the law, the Bureau has followed the advice of the Professional Advisory Committee.

Important measures relative to the program have been discussed during the past year. Principal among these have been the economic eligibility on standards to be applied to clients, the creation of a fee schedule and the method of compensation for hospitalization.

An Executive Committee of the Advisory Committee was formed at the request of Mr. H. D. Hicker, Chief of the Bureau for immediate consultation in the event of urgent problems which would require immediate solution arising. The Executive Committee is to consist of Dr. LeRoy Abbott, Mr. Butler and the Chairman.

A number of meetings of the entire Advisory Committee are contemplated during the succeeding year.

Respectfully submitted,

John W. Cline, *Chairman*.

COMMITTEE ON POSTWAR PLANS OF MEDICAL SERVICE AND SOCIAL SECURITY

Executive Group

Dewey R. Powell, *Chairman*

Donald Cass

John W. Green

To the President and the House of Delegates:

The members of the committee on postwar plans of medical service and social security have had no formal meeting during the year. However, the need of special study and planning is important. The House of Delegates may well consider the scope of work to be done.

Respectfully submitted,

Dewey R. Powell, *Chairman*.

LIAISON COMMITTEE OF SIX ON MEDICAL AND HOSPITAL SERVICE PLANS IN CALIFORNIA

Executive Group

John W. Cline, *Chairman*

L. A. Alesen

R. Stanley Kneeshaw

Mr. J. V. Buck

Mr. W. P. Butler

Mr. A. E. Maffly

To the President and the House of Delegates:

Your Committee has met at intervals with a similar Committee of the Association of California Hospitals, consisting of J. V. Buck, Chairman, and Mr. Maffley of Berkeley, and Mr. Butler of San Jose.

The effort of the joint Committee of Six has been to secure a Statewide Blue Cross Plan which could furnish hospitalization for California Physicians' Service, as well as hospitalization insurance for such subscribers as wished this service alone.

On several occasions, it has seemed probable that the objective would shortly be reached but each time considerations of various sorts have resulted in its deferment. It now appears probable that a unified Statewide Blue Cross Plan will shortly be developed. It is sincerely hoped that no circumstances will arise to prevent this development.

Respectfully submitted,

John W. Cline, *Chairman*.

COMMITTEE RE: PROPOSED CHANGES IN THE INDUSTRIAL ACCIDENT COMMISSION FEE SCHEDULE

Executive Group

Nelson J. Howard, *Chairman*

The following is a report of a sub-committee meeting of February 7, 1945, at which were present the following: Mr. Quigley of the California Indemnity Exchange, Dr. Lester I. Newman, Medical Director of the California State Compensation Insurance Fund; and Nelson J. Howard, representative of the California Medical Association. This committee was appointed by the Industrial Accident Commission study committee now meeting on medical fees.

The group discussed and looked over fee schedules for eighteen different states which have Industrial Accident Fee Schedules from which information had been received in reply to a questionnaire sent out.

Mr. Quigley and Dr. Newman maintained that fee schedules should take into account the yearly earnings of the average worker. In 1921 and 1922 this was estimated to be in the neighborhood of \$1,250.00 per year. It is estimated by Dr. Newman that the average earnings now in 1944-45 are in the neighborhood of \$1,920.00 to \$2,000.00 per year. This is over 53 per cent increase and yet the argument is made that even a 15 per cent fee schedule increase is too much.

Mr. Quigley broached the question of a flat fee schedule for surgical procedures to include all pre- and post-operative care. I stated that I was sure the physicians of California would not accept a flat fee Industrial accident schedule.

It was mentioned that one must consider fee schedules in states which compete with California manufacturers. I stated that (1) we cannot lower our present standard of medical care. If anything, it must be raised. (2) The wages of California workers are not lowered to meet the wages paid in competing states.

A further meeting is planned after an opportunity to study the fee schedules of the eighteen states reporting.

Respectfully submitted,

Nelson J. Howard, *Chairman.*

REPORT OF THE LIAISON COMMITTEE WITH THE A.M.A. COUNCIL ON MEDICAL SERVICE AND PUBLIC RELATIONS

Executive Group

D. H. Murray, M.D., *Chairman* George H. Kress, M.D.
Mr. John Hunton

To the President and the House of Delegates:

This committee was appointed several months ago at the request of the A.M.A. Council on Medical Service and Public Relations as a means of forming a nucleus in the California Medical Association for the benefit of the national program of the A.M.A. Council. The committee has been called upon on several occasions to express the views of medicine on various national legislative proposals; these requests have been promptly and properly met.

Fortunately, it has been possible for the C.M.A. to place at the service of the A.M.A. Council on Medical Service and Public Relations the facilities of the Washington office of the United Public Health League. Through this office it has been possible to make direct contacts in Washington in furtherance of national programs in the interests of the medical profession.

Respectfully submitted,

Dwight H. Murray, *Chairman.*

Vitamin Preparations

Attention should be called to at least two of the reports concerned with vitamin preparations, namely, the status report giving the Council's decision that the evidence does not yet warrant the acceptance of cod liver oil preparations for external use, and the report announcing the Council's recognition of the use of massive doses of vitamin D in arthritis, and in this volume includes a current comment from the *Journal*, titled, "Hope (false) for the Victims of Arthritis," which reemphasizes this objection.

The status report on xanthine compounds gives a much needed delimitation of the therapeutic claims that may be recognized for aminophylline and its related xanthine derivatives. Of similar interest is the report on the local use of sulfonamides in dermatology, and in the same category may be mentioned the report on agents for the treatment of *Trichomonas Vaginitis*, which points out that the present aim should not be for new medicaments in this field but for further information, especially concerning failures with those that have been used. In another status report the Council sets forth its conclusion that present evidence does not justify claims for advantage of oral use of sodium sulfonamides over the free drug. . . .

It cannot be too often said that this volume, as well as the other publications of the Council, remains of paramount interest to all who are concerned with rational use of therapeutic agents.

ANNUAL COUNTY MEDICAL SOCIETY REPORTS

FIRST DISTRICT

Imperial, Orange, Riverside, San Bernardino, and San Diego Counties.

Herbert A. Johnston, *Anaheim, Councilor.*

Imperial County Medical Society

Meetings of the Imperial County Medical Society are held on the second Tuesday of each month in the California Hotel in El Centro. Meetings have been discontinued until fall. However, special meetings may be called at any time if anything important comes up for discussion. We have lost so many doctors to the armed forces that it has been found very difficult to get a quorum together so that any business may be conducted. We have found a better response to call meetings for discussion of any special matter which may arise.

T. E. BARTHOLOMEW,
President.

Orange County Medical Association

Dr. Frank M. Patterson, active in Orange County Practice of Medicine since 1924, died January 3, 1945. Dr. Dean C. Brown of Santa Ana, active in eye, ear, nose and throat practice, passed away February 24, 1945.

Several others of our members have been compelled to sharply reduce their practices and still others are finding it necessary to take longer vacations to maintain their strength. However, our doctors are quietly endeavoring as individuals to keep the faith and care for as many people as possible regardless of their duty and a little more. All our doctors are finding themselves more than a little tired.

Active membership now is 96.

As one contemplates the unselfish consecration to duty of this great group of doctors who are carrying on even when suffering physical exhaustion or illness, a certain contempt arises in our hearts for those politicians who take such a time to give doctors a stab in the back and maliciously tell the whole world what failures they are.

RUSSELL I. JOHNSON,
Secretary.

Riverside County Medical Association

The association meets the second Monday night of every month in the Riverside Community Hospital. The program is usually of a scientific nature and is followed by the business session of the association. A bulletin is issued by the secretary the first of the month and is generally sent out a few days before the regular meeting.

The Riverside County Medical Association has a very active membership and has done a large amount of work educating the residence of Riverside County on the Health Insurance Plans.

W. K. TEMPLETON,
Secretary.

San Bernardino County Medical Society

The San Bernardino County Medical Society now has a membership of one hundred eighty-two members, forty-five of these serving in the armed forces. One of our members, R. C. Green, has returned from service with a medical discharge, and is again practicing in San Bernardino.

We have added eight new members during the past year, and have lost three by transfer and one by death.

Regular meetings of the Society are held on the first Tuesday of each month, October to June, both inclusive. Attendance has improved somewhat, owing to the interest of the members in the compulsory health legislation. Several meetings have been held regarding this and the discussions have been lively.

Owing to lack of gas and time on the part of the medical men, no postgraduate meetings have been held during the past year.

ARTHUR E. VARDEN,
Secretary.

San Diego County Medical Society

Activities of our local society have continued at the usual rate with the pressure of work continuing in this center of intense war material production. Twenty-six new members have been admitted and quite a list of applicants are yet to be acted on. The Council has initiated

a new procedure whereby those applying for membership present their applications in person to that body before the Membership Committee receives them. This gives the Council an opportunity of meeting the newcomers and becoming acquainted with them, and vice versa.

The Society has resumed its monthly dinner meetings with a resultant doubling of the attendance, programs being presented by leaders of the profession from outside the county. The staff of the local Naval Hospital has been of great assistance in this matter.

More active participation in the question of medico-legal problems is being taken with the appointment of a very efficient committee, under the leadership of Dr. H. C. Cornell.

Emergency Medical services lagged somewhat for a time, but interest is being revived, with some reorganization on a permanent disaster basis and closer coordination with the Red Cross. While we have not forgotten the danger of belligerent action, we are taking into account more and more the needs that will arise in case of "natural" catastrophes, fire, earthquake, etc.

A quiet campaign in favor of C.P.S. is being carried on with a very satisfactory increase in the number of professional members, thus replacing those who have been called into service. The recent establishment of a local district office of C.P.S., with a full time staff will be of great service in ironing out problems.

W. H. GEISTWEIT, JR.,
Secretary.

SECOND DISTRICT

Los Angeles County.

Donald Cass, Los Angeles, *Councillor.*

Los Angeles County Medical Association

The fourth year of the war finds the Los Angeles County Medical Association playing a greater part than ever before in matters of community concern and, although severely handicapped by lack of personnel, has succeeded quite well in meeting its obligations to the membership and to the public at large.

Among the major public relations activities before the question of compulsory health insurance broke upon us a few months ago, was a series of thirteen joint meetings with members of the Bar Association. These meetings were held at the Elks Temple during the fall and winter months. Programs of importance to attorneys were presented by the various specialty sections. The result has been a much better understanding on the part of the Bar Association of the problems affecting medicine, especially those problems dealing with malpractice and with other problems that today affect professions generally.

These meetings were arranged by the Committee on Medical Defense, Doctor Louis J. Regan, Chairman, Doctor Fred B. Clarke and Doctor J. Severy Hibben, together with a Special Committee of the Bar Association, Messrs. Murray F. Keslar, John P. McGinley and E. H. Tilson, and were splendidly attended.

Following the meetings with the Bar Association there came into existence a Professional Coordinating Council, members of which represent the various professions in Los Angeles County. Problems affecting professional men are given serious consideration by this Council with the belief that on such matters united action can be brought into play.

The old wartime problems that existed last year have been with us during the present period and have been met by our committees on food rationing and gasoline rationing, which committees have maintained pleasant relationships with the various Federal boards in this area.

The Committee on Procurement and Assignment has remained a definite full time working part of our organization, with offices in our headquarters open every day in the week.

The Association, its branch officers, its public relations committee and all interested members have been exceedingly active during the past several months in an educational campaign to apprise the people of this area of the facts relative to compulsory health insurance. Major organizations have learned what compulsory health insurance means. The facilities of our Speakers' Bureau have been used to the utmost and I believe with pronounced results. Every possible avenue of approach to the people has been utilized—the press, the radio, open forum debates, and direct talks. The office has sent a great amount of literature to members wishing to distribute it, and it is my belief that this work has proved quite effective.

E. T. REMMEN,
Secretary.

THIRD DISTRICT

Inyo-Mono Counties, Kern, San Luis Obispo, Santa Barbara and Ventura Counties.

Harry E. Henderson, Santa Barbara, *Councillor.*

Kern County Medical Society

The Kern County Medical Society, meeting every third Thursday except during June, July and August, at a dinner session at the Bakersfield Inn, enjoyed an active year under the presidency of Dr. H. A. Rivin.

Dr. Sophie L. Goldman, vice-president, was again drafted to the secretaryship in the absence of Dr. J. E. Vaughan, now with the armed forces.

The quality of the programs under Dr. William MacDonald remained high, despite difficult traveling conditions. Well-qualified specialists generously provide programs for the Society.

Problems which took up the major part of the attention of the members this year included:

(1) The 15 per cent surcharge levied on the insurance company fees.

(2) The resolution adopted by the Society whereby the obstetrical consultants appointed by the Public Health Service under the auspices of the Emergency Maternal-Infant Care program agreed to resign from their capacities as consultants, inasmuch as there were no specially qualified specialists in the County to serve in this capacity; this action on the part of both the Society and the local consultants being undertaken to preserve the equitable relations among the members of the County Medical Society.

(3) The results and significance of the survey conducted for the California Medical Association by the firm of Foote-Cone and Belding on the temper of the public regarding future types and plans of medical service.

Membership in the Society for the year totaled seventy-eight, with twenty-one physicians being in the Armed Forces.

Dr. H. A. Rivin served as president, with Dr. Sophie L. Goldman acting as both president-elect and secretary-protem. Board members were: Doctors Lucille B. May, C. I. Mead, L. C. McLain, J. Headen Inman, J. M. Nicholson, Keith S. McKee, and Harry Lange. Delegates: Drs. Wm. Moore and Francis Gundry. Alternates: Drs. Sophie L. Goldman and J. Headen Inman.

JULIET THORNER,
Secretary.

San Luis Obispo County Medical Society

The San Luis Obispo County Medical Society held twelve meetings during the year 1944. Twenty-five members paid dues in 1944. There are now twenty-three active members—two members having been lost by death in 1944, Dr. Henry F. Sawtelle of Arroyo Grande, and Dr. Ira Bartle of San Luis Obispo passing away after long and active lives in general practice. One member, Dr. F. F. O'Reilly, entered the armed services. There are now five members of this Society in the armed services: Doctors Charles R. Kennedy; Newell Nay; Elmer M. Bingham; Albert Shershow and F. F. O'Reilly.

Doctor W. D. Butler has returned to civilian practice after serving in the U. S. Army. No new members were elected to membership during the year 1944. There are at the present time only two practicing physicians in the County who are not members of the Society.

G. D. KELKER,
Secretary.

Santa Barbara County Medical Society

The Santa Barbara County Medical Society has an active membership of 129, of whom 40 are in the Armed Forces. Regular meetings are held on the second Monday of each month (except July and August), at 8:15 p.m., at the Bissell Auditorium of the Santa Barbara Cottage Hospital. It is the policy of the Society to have prominent members of the medical profession from outside of Santa Barbara present papers at each meeting.

The annual meeting was held January 8, 1945, at the University Club. Forty-five members and fourteen guests attended.

Guest speakers during 1944 were:

February: Dr. Walter R. Treadway, Medical Director of the United States Public Health Service, "Principles of Psycho-Somatic Medicine."

March: Dr. Walter R. Treadway, President of the Los Angeles Heart Association, "Congenital Heart Disease Readily Diagnosed." Also: Dr. Louis E. Martin, past president of the Los Angeles Heart Association, "Some Newer Aspects of Rheumatic Fever."

April: Mr. Wm. G. Ebersole, "Confidential Report of the Public Opinion Survey Prepared for the C.M.A., Dealing with the Status of the Medical Profession in California."

May: Dr. Edward S. Lamont, Hollywood, Calif., "Principles of Plastic Surgery About the Head and Neck."

June: Col. David L. Reeves, M.C. of Hoff General Hospital, "Intervertebral Disc Injuries and Disabilities."

September: Capt. Walter C. Martin, M.C., "Coccidiomycosis," also Major Rubin L. Gold, M.C. and Lt. Col. Ray B. McCarty, M.C., "Amoebiasis."

October: Dr. Wm. G. Kerr, "Nervous Tachycardia and Nervous Hypertension."

November: Dr. Harold Brunn, San Francisco, "The Cancer Problem" and "Progress of Medicine—Mistakes We Have Made in the Past."

December: Dr. W. Glenn Ebersole, Special Representative of the C.M.A. Council, "Current Medical Economic Topics."

Dr. Harold Sidebottom died recently, and he was remembered as one of Santa Barbara's oldest physicians, and his loss was mourned by many. He had not been in active practice for a number of years.

The Santa Barbara County Medical Society has ended a year during which there has been close cooperation among its members. There has been a fine feeling between the Society and the members of the community, and many of the doctors are engaged in civic duties through their membership in service organizations.

CHARLES A. PREUSS,
Secretary.

Ventura County Medical Society

The Ventura County Medical Society has a total membership of fifty-two. Nineteen of these are inactive because of military service.

Meetings are held on the second Tuesday of each month at the Ventura County Country Club at Satcoy. An excellent dinner precedes each meeting. Members rotate in serving as program chairmen. The scientific meetings have included interesting and instructive motion pictures as well as lectures by prominent outside men and members of the Society.

As elsewhere, there is a shortage of medical personnel and hospital beds, but the fine cooperation shown by the doctors and hospitals has minimized the heavy burdens of wartime practice.

Members of the Society are active in the American Tuberculosis Association, the American Society for the Control of Cancer as well as in civic groups for the study and control of local problems.

G. H. ARNOLD,
Secretary.

FOURTH DISTRICT

Calaveras, Fresno, Kings, Madera, Mariposa, Merced, San Joaquin, Stanislaus, Tulare, and Tuolumne Counties.
Axcel E. Anderson, Fresno, *Councilor.*

Fresno County Medical Society

During the year 1944 the Fresno County Medical Society held ten regular meetings, July and August being observed as a vacation period.

The Society meets at the University-Sequoia Club, and our scientific programs usually consist of a talk by one of the staff members of the University of California, Stanford or University of Southern California Medical Schools.

One program each year is a joint meeting of doctors, dentists and lawyers. This program is arranged by one of the three organizations, alternating each year. This meeting is held during the month of May. The afternoon is spent playing golf, and a dinner meeting, with an outstanding speaker, is held in the evening.

The scarcity of doctors and the shortage of hospital beds have made medical care somewhat difficult. However, it is believed that adequate medical care in this community is not lacking.

K. D. LUECHAUER,
Secretary.

Kings County Medical Society

The Kings County Medical Society in 1944 had an active membership of fourteen, with no new members added. One member entered military service, and one was discharged, thus making nine members in the various branches of the service. Only two meetings were held during the year.

ARTHUR ZEISMER,
Secretary.

Merced-Mariposa County Medical Society

Following is a brief summary of the activities of the Merced-Mariposa Medical Society during the past year:

The Merced-Mariposa Medical Society has held regular monthly meetings throughout the year. Prominent speakers have addressed the group from time to time. These meetings were a combination of business and pleasure. Dinners were planned in conjunction with the business meetings, and provided enjoyable seasons of fellowship on these occasions.

C. C. FITZGIBBON,
Secretary.

San Joaquin County Medical Society

During the year 1944 we had 108 active members on our roll and of these, 40 were in military service. Three of these men have been returned to civilian life because of disability incurred during their time in service. These were Drs. B. J. Powell, Jr., P. H. McHugh and G. H. Rohrbacher. During the past year three doctors were elected to membership (T. Hill, W. C. Richli and H. K. Wilson) and Dr. W. C. Curphy was transferred from Marin County. The society lost, by death, Drs. T. R. Trick and Chas. F. English.

The meetings of the last year were held monthly at the club room of the Medico-Dental Bldg. in Stockton, except when the Society was the guest of the San Joaquin County Hospital and State Hospital.

The following programs and speakers were presented by the program committee:

January 6—"Newer Concepts in Diagnosis and Treatment on Poliomyelitis," by H. Brainerd, M.D.

February 3—"Use of the Gastroscope in the Diagnosis of Gastric Lesions," by N. C. Giere, M.D.

March 2—"Clinical and Roentgen Manifestations of Various Atypical Pneumonias; Intravenous Injection of Opaque Material in Living Person for Demonstrating Cardio-vascular Diseases; Some Conditions Leading to Gastro-intestinal Bleeding," by E. R. Miller, M.D.

April 6—"Prevalence of Cerebro-Spinal Infection in San Joaquin County," by J. J. Sippy, M.D.

May 4—"Penicillin Resistant Gonorrhea," by Col. G. Cheney and "Plastic Surgery in Wounds," by Maj. J. Pick.

June 1—"Diagnostic Problems in Brain Tumors and Treatments," by H. A. Brown, M.D.

September 6—"Electrical Shock Therapy," by E. Tock, M.D.

October 5—"Special Report from the Council of the California Medical Association," by Glenn Ebersole.

November 2—"Outlook for the Gastric Cancer Patient," by T. F. Mullen, M.D.

December 7—"Experiences in the Southwest Pacific-Medical and Otherwise," by G. H. Rohrbacher, M.D.

In addition to the above schedule meetings, the San Joaquin County Medical Society in conjunction with the San Joaquin County Dental Society and the San Joaquin Bar Association held a dinner meeting to honor John J. Sippy, who had been elected president of the American Public Health Association. In conformity with the established tradition of the Society, the gold key of the San Joaquin County Medical Society was presented to Dr. Sippy. This key is presented, as occasion arises, to members who have brought signal honor to the Society.

The San Joaquin County Medical Society has taken a strong stand in favor of the action of the House of Delegates of the California Medical Association in opposing half-baked and immature health legislation.

GEORGE H. ROHRBACHER,
Secretary.

Stanislaus County Medical Society

The year 1944, on the whole, was uneventful. The Stanislaus County Medical Society held ten regular monthly meetings, there being no meetings in the months of July and August.

About one-third of our members are in the Armed Forces.

H. R. GANT,
Secretary.

Tulare County Medical Society

Despite the wartime difficulties of travel, dinner meeting places, securing outside speakers, the Tulare County Medical Society completed an active year in 1944 under the able guidance of Dr. F. L. Wiens, President and Dr. W. A. Winn, Vice-President.

There were 42 active members in 1944, in addition to 16 members with the Armed Forces. We regretfully

acknowledge the death in 1944 of Dr. Reuben Hill of Exeter, California.

At the last meeting of 1944 Dr. Charles Mathias was elected president for the year 1945. The other officers were retained.

JAMES C. MALCOLM,
Secretary.

FIFTH DISTRICT

Monterey, San Benito, San Mateo, Santa Clara, and Santa Cruz Counties.

R. Stanley Kneeshaw, San Jose, *Councilor.*

Monterey County Medical Society

Regular meetings of the Monterey County Medical Society were held the first Thursday of each month (excepting months of June, July and August). The place of meetings usually alternated between the Santa Lucia Inn, Salinas, and the Del Monte Lodge at Pebble Beach.

The roster of the Society now includes seventy-three members. Of this number, sixteen are in the Army and ten are in the Navy. Two members were lost through death, one has retired, one has transferred from the Society and one has been elected through transfer.

The Woman's Auxiliary of the Monterey County Medical Society has been most active and its continued help and assistance has been deeply appreciated.

Several scientific programs were given, as well as considerable time to the various health legislative measures. Dr. M. Merrill of the State Health Department and Commander A. Bower, U.S.N.R., gave a report on "Typhoid Fever" in June. Lt. Commander N. O'Neil spoke on "Subcutaneous Injuries of the Abdomen" in September. During October, Maj. E. Simard presented a paper on "Trauma with Reference to Gunshot Wounds." Several meetings were featured by motion pictures.

DIXIE BINGAMAN,
Secretary.

San Benito County Medical Society

The past year has found no changes in our membership. We have five members in civilian practice. This county has experienced a population increase which has increased the burden of medical care. A definite shortage of nurses and hospital beds has proved more of an inconvenience than an actual hardship.

JOHN J. HARUFF,
Secretary.

San Mateo County Medical Society

The following is a report of the activities of the San Mateo County Medical Society during the year 1944:

The present membership consists of 78 active members; 6 associate members; and 26 Service members. During the year, four new and one associate member were admitted to the Society.

Monthly meetings were held in conjunction with the Mills Hospital Staff. These meetings featured case reports and clinical-pathological conferences. Several meetings were devoted to discussion of the various compulsory health insurance plans. Mr. Albee Slade of the C.I.O. was guest speaker at one of these meetings. A standing committee of six members has been appointed to study all phases of health insurance and to submit a report to the Society in six months.

Due to the pressing need of hospital beds, the unused tuberculosis pavilion of the San Mateo Community Hospital has been taken over, repainted and refurnished, and is now used as an annex of Mills Hospital. This addition makes available about thirty beds for the use of medical patients.

The Society has gone on record as opposing the admission of any physician to the Society unless he has first been cleared through both the County and State Procurement and Assignment Service.

J. PAUL SWEENEY,
Secretary.

Santa Clara County Medical Society

The Santa Clara County Medical Society now has eighty-eight members in the armed forces. There have been seven new members elected, and one member has died during the year.

Attendance at regular meetings has been increasingly good. No meetings were held in July or August.

A notable feature of the scientific meetings was a series of lectures by Dr. Alton Ochsner of New Orleans, given

under the sponsorship of the San Jose Hospital Staff.

Procurement and Assignment activities have been continuously reviewed by the Council of the Society, and active cooperation with the Visiting Nurse Association and the American Red Cross has continued.

During the latter part of the year, increasing attention has been attracted to questions of the State sponsorship of prepaid medical plans as proposed for adoption by the California State Legislature. A considerable load has been carried by many individual physicians in attempting to help solve the problems presented.

FRED W. BORDEN,
Secretary.

Santa Cruz County Medical Society

Because of wartime restrictions and limitations, together with heavy professional demands on the members, only four meetings were held during 1944. Three of these were devoted to medico-economic discussions. In January a special meeting was called by President Sambuck of Watsonville for the purpose of considering the various aspects of the E.M.I.C. program. In March a meeting was devoted to a report by Mr. Ebersole who represented the C.M.A. Council for the purpose of disseminating among the members information obtained at time of recent State survey. Mr. Ebersole was with us again in November at which time he brought the members up-to-date, on matters of medico-economic importance. At the December meeting Doctor John Alden of San Francisco, was the speaker and addressed the members on the subject of "Psychiatry in General Practice." This was a very practical and instructive paper. The annual business meeting was also held at this time. Our membership, as of January 1, 1945, was 44, with 15 absent in military service. Two members died during 1944. These were Doctor F. H. Koepke of Watsonville and Doctor A. D. Garibotti of Santa Cruz.

SAMUEL B. RANDALL,
Secretary.

SIXTH DISTRICT

San Francisco County.

John W. Cline, San Francisco, *Councilor.*

San Francisco County Medical Society

Standard forms for insurance certificates have been effected and printed by your Society for distribution to its members; these forms are brief and save much work for physicians. They are almost universally acceptable and may be secured at the office of the Society.

Your Society secured the cooperation of the Petroleum Administrator to provide adequate supplies of gasoline for physicians for the maintenance of their work, so that no longer are physicians told, "no more gas," but now the reply is, "You are a physician? Yes, I have an emergency supply of gasoline for physicians."

An extremely active committee is still at work to combat the 100-125 per cent increase in premiums for malpractice insurance. From their achievements to date I can virtually promise you that conditions will be better in the future.

The plethora of registered nurses in hospitals, especially those on general duty, provoked an issue that was so great it finally broke into newspaper publicity. But your Society succeeded in enlisting the cooperation of the Nurses' Association and the hospital superintendents in the solution of this problem, and as a result, the problem is no longer acute. Our sincere thanks to the groups who have cooperated with us so well.

We are extremely grateful to the Committee on Food Rationing, under the chairmanship of Mary E. Mathes. This committee has met regularly for several hours each week throughout the year and has achieved results beyond the comprehension of most of us. To Doctor Mathes and her committee we extend our grateful appreciation.

An active campaign against the Wagner-Murray-Dingell bill in Congress was instituted in cooperation with our state and national societies. We express our appreciation to the State Chamber of Commerce which joined us so vigorously (as well as to so many other organizations) for their support.

Your Society has provided for automatic reinstatement into membership of all our physicians and surgeons discharged from active military duty.

The problem of the settlement of so many new physicians in San Francisco County has been cared for, since these men must not replace our members returning after military service, by providing that they must secure clearance through Procurement and Assignment Service before being eligible to membership in our Society.

Furthermore, we have vigorously opposed the temporary licensure of physicians in California; there are thousands of physicians in California now in military service; we feel it is our duty to replace them at home first; thereafter new needs may be provided.

The ambiguous wording in the health and accident policies of certain insurance companies has been largely overcome; no longer may policy holders maintain that their policy provides full fees to physicians. This has been clarified. It is one of our major accomplishments. Dr. Nelson Howard is chairman of your committee.

The disbanding of the San Francisco Civilian Defense Council and the task of caring for local medical disaster programs under the Department of Public Health sustained the cooperation of the San Francisco County Medical Society. Its members gladly volunteered their continued service in keeping with the age-old humanitarianism of physicians the world over.

The problem of rat control and the spread of infection from its inadequacy, led to a detailed study by your Society. It was agreed that our Department of Public Health was handicapped by the lack of sufficient funds for the employment of an adequate number of rat control forces. These conditions permitted a possible plague in San Francisco. It was our duty to help correct these conditions and active measures were instituted thereto.

There have been several attempts to obviate the Principles of Professional Conduct in relation to radio broadcasts. In each instance, the Board, the Executive Committee or the Committee on Professional Conduct has clarified the situation for our membership. As a result, not a single violation of our Principles of Professional Conduct has occurred this year. Our membership and our committees are to be commended for this.

The Gold Note Committee, under William C. Voor-sanger, reports a total income of \$3,250 on this year's campaign. Of this, \$1,070 was donated outright to the Society, \$1,020 was contributed to the Special Service Fund, and donations of 50 per cent or so made to the Society so that we saved some \$562 on partial payments on purchased gold notes. Since the balance of payments on gold notes is due in 1947, our committee has done remarkably well. Our sincere thanks to its chairman and to its members.

The Irwin Memorial Blood Bank has been our pride and joy. We have done our duty to the citizens of San Francisco and we extended our surplus in extraordinary amount, principally to the Navy. In addition, our Director, Curtis E. Smith, has managed to acquire a financial surplus, the first in our Blood Bank's history. It is of good proportions, and to his directors and to his confreres we extend our sincerest congratulations. To those who have volunteered their services (and they are mostly doctors' wives) we take off our hats, as we usually do, to these noble and irreplaceable companions.

We shall be engaged in a struggle with the Health Service System in relation to changes in the fee schedule soon. We have laid plans for a new home for our County Society. We are cooperating with the Women's Field Army of the American Society for the Control of Cancer in their efforts to establish a detection or guidance clinic for the early discovery of cancer. The foundations of these objectives are set, but extraneous conditions and your new officers, Board and committees, shall ultimately decide them. I feel you are entitled to the above data since they concern you so vitally. What I have left unsaid has constituted at least 100 per cent more of your Board's and committees' activities. Many of us have not known all that our Society has done for us in the past. I hope the present résumé will make you all more satisfied with your membership and, I hope, it will make each of you more active in your efforts for the welfare of your Society in the future.

STANLEY H. MENTZER,
President.

SEVENTH DISTRICT

Alameda and Contra Costa Counties.
Lloyd E. Kindall, Oakland, *Councilor.*

Alameda County Medical Association

The last few months of the year just past has shown a decided increase in Association activity by the members of our County, a condition which is particularly noticeable in increased attendance at our regular monthly meetings which are held on the third Monday of each month except for the vacation period of July and August.

Our programs have been devoted, both to the science of

medicine and to the very important economic problems which confront the profession today. Visiting medical officers have shared the wealth of their experiences with us on numerous occasions.

Two projects for the betterment of our Association have occupied much time and attention. First, the business organization of our Association under the leadership of Mr. Rollen W. Waterson, recently of Lake County, Indiana, at present, the Executive Secretary of the Association of American Physicians and Surgeons. The second project is a plan to aid any of our members who may need help on return from military duty in establishing themselves once again in private practice.

We have found the plan to receive new comers as temporary members immediately upon establishing practice in this County a very satisfactory one. As anticipated, it has given us a splendid opportunity to learn to know these men before we admit them to permanent membership.

GERTRUDE MOORE,
Secretary.

Contra Costa County Medical Society

The following is the report of the Contra Costa County Medical Society for the year 1944. The membership totaled sixty-one members, seven being in the Military service. The latter group included Drs. P. F. Winn, G. L. Coates, H. B. Flanders, J. J. Fitzgerald, C. E. Dietderich, E. L. Huwe, and E. C. Gerou.

Nine regular meetings were held during the year, on the second Tuesday of every month; each meeting consisting of a business session and scientific program conducted by guest speakers.

The California Medical Association and California Physicians' Service cooperated to establish a fee-for-service clinic in Richmond, which has aided in solving the medical care problem in this area.

H. W. McNERNEY,
Secretary.

EIGHTH DISTRICT

Alpine, Amador, Butte, Colusa, Eldorado, Glenn, Lassen, Modoc, Placer-Nevada-Sierra, Plumas, Sacramento, Shasta, Sutter, Tehama, Yolo, and Yuba Counties.

Frank A. MacDonald, Sacramento, *Councilor.*

Butte-Glenn County Medical Society

During the past year, despite our limited number, as almost fifty per cent of our members are in the Service, we have held about eight meetings, many in conjunction with the Woman's Auxiliary. Our average attendance has been 15 to 18, out of a membership of 22, ten of them residing twenty-five to forty miles distance. In connection with the Woman's Auxiliary, attendance has at times been about thirty.

Our speakers have been from San Francisco, the University of California and Stanford, and at times, some local member.

All appointed committees have functioned successfully, and on the whole we have had a busy year in every way.

About twelve men from this area are in the Armed Services, serving in the various War Theatres where our troops are located. They are serving their Country with distinction; several have children; one has two, one of whom he has never seen; another has three and a third has four, and they are or have been on the fighting fronts, but I have never heard a politician refer to them in any capacity; they are the forgotten fathers and their votes are few.

J. O. CHIAPELLA,
Secretary.

Lassen-Plumas-Modoc County Medical Society

The Lassen-Plumas-Modoc County Medical Society has had few meetings because the doctors have been unable to leave their practices for enough time to do the necessary traveling. Issues have been discussed with members by telephone as much as possible and decisions arrived at in this manner.

J. W. CREVER, JR.,
Secretary.

Placer-Nevada-Sierra County Medical Society

Because of continued war conditions and restrictions on gasoline and tires, there have been a limited number of meetings during the past year. Including the Annual Meeting of November 13, 1944, there have been four meetings in all:

1. Annual meeting of November 13, 1943: There were twelve members present. No literary program was presented but the new constitution and by-laws were discussed and unanimously adopted.

2. Meeting of February 26, 1944: Fourteen members and the guest speaker, Dr. Frank Reardan, were present. Dr. Reardan's subject was "Electro-Cardiography." In addition to the regular business which came before the members, the following Board of Directors was elected: For Placer County: Dr. Robert H. Eveleth and Dr. J. A. Russell. For Nevada County: Dr. Vernon W. Padgett and Dr. B. W. Hummelt. In addition to the four above named, the President, Dr. George Foster; the Vice-President, Dr. Paul D. Barnes and the Secretary-Treasurer, Dr. Robert A. Peers, made up the Board of seven members.

3. Meeting of July 14, 1944. This was a dinner meeting, members being guests of the professional staff at DeWitt Hospital. There were eighteen members present.

4. Meeting of September 12, 1944. This was a special meeting called for the purpose of hearing Mr. W. Glenn Ebersole, special representative of the C.M.A. Council. There were sixteen members present and the only visitor was the speaker, Mr. Ebersole. No other program was presented.

The membership of the Society is now thirty-eight. During the year we have lost two members by death—Dr. Carl Power Jones, Grass Valley, and our Retired Member—Dr. D. D. Johnson, also of Grass Valley. One member resigned during the year and we acquired one new member—Dr. George G. Stauch, of Weimar. At the present time there are ten members in the Service. One member, Dr. Robert A. Peers, has acquired a Life Membership, thus leaving twenty-seven paying members.

VERNON W. PADGETT,
Secretary.

Sacramento Society for Medical Improvement

The Sacramento Society for Medical Improvement meets at 8:30 p.m. on the third Tuesday of each month in the auditorium of the Nurses' Home at Mercy Hospital, 40th and J Streets. No meetings are held during the vacation months of July and August. Programs are arranged by a committee, and the December meeting is devoted to Society business and the election of officers for the ensuing year. No bulletin is published by the Society, but the programs of the meetings are announced on printed notices which are sent to all local physicians and other interested physicians in nearby communities. Notices of the monthly meetings are also sent to physicians in Military Service at the adjacent Army posts. The following speakers and programs were presented during the year:

January 18—Officers of the Hammond General Hospital presented the program:

Lt. Col. G. S. Reynolds, "Gunshot Wounds." Capt. W. L. Noe, "Filariasis—Present Day Status." Lt. Col. Garnett Cheney, "Problem of Relapsing South Sea Malaria."

February 14—Officers of the U. S. Naval Hospital of Oakland, Calif., presented the program:

Commander Paul Michael, "Filariasis." Lt. Comdr. D. L. Wilbur, "Clinical Problems in Tropical Medicine." Lt. Albert C. Daniels, "Penicillin." Lt. Comdr. P. W. Greeley, "Plastic Repair of Extensor Contractures of the Hand."

March—Annual Banquet at Sutter Club.

April 18—Mr. Glenn Ebersole discussed the report of Foote, Cone, and Belding.

May 16—Meeting held at Camp Kohler, the program being given by members of the Staff of the Station Hospital.

September 19—Meeting held at McClellan Field, the program being given by several members of the Staff of the Station Hospital.

October 17—Officers of DeWitt General Hospital, presented the program:

Major John Dry, "Cardiac Emergencies." Capt. Francis Echlin, "Diagnosis and Treatment of Head Injuries."

November 21—Officers of the Oak Knoll Naval Hospital presented the program:

Capt. W. F. Bueerman, "Surgical Management of Arteriovenous Aneurysm following Combat Injury." Comdr. Jesse T. Nicholson, "The Treatment of Compound Fractures Received in Battle."

December 19—Annual Business Meeting with election of officers.

The Society has a membership of 178, of whom 51 are in the Armed Forces, and one is an Honorary member. One member, Dr. W. R. Briggs, died while in the service of his Country.

EDMUND E. SIMPSON,
Secretary.

Shasta-Trinity County Medical Society

The Shasta County Medical Society has an active membership of seventeen. During the year of 1944, there were four members who transferred to other counties. Eight other members are in the Army.

The old St. Caroline's Hospital is now under the management of the Sisters of Mercy from Sacramento and is known as Mercy Hospital.

The Shasta County Medical Society meets regularly on the second Monday of each month except during June, July, and August. The Society has unanimously moved to adopt the proposed fee schedule by the California Medical Association for industrial accidents.

JULIUS M. KEHOE,
Secretary.

Tehama County Medical Society

The Tehama County Medical Society at its regular meeting, the evening of March 14, 1945, elected the following officers for the year 1945. President, James L. Faulkner, M.D., Vice President, H. H. Beck, M. D., Secretary and Treasurer, R. G. Frey, M.D. Delegate, R. G. Frey, M.D., Alternate, F. L. Doane, M.D. Dr. O. T. Wood, who is in the Navy is now in the South Pacific. The Society is taking active part in the campaign against State Medicine.

R. G. FREY,
Secretary.

Yolo County Medical Association

During the past calendar year the Yolo County Medical Society has continued to be very active. We have been fortunate to obtain unusually good speakers for our programs and our attendance has been very good. The meetings have consisted of a scientific discussion on each occasion. The speaker, without exception, has given an interesting and worthwhile address. Our total number of active members at present is sixteen, while the number of members in the Military Service is twelve.

The care of the farm crops requires an influx of approximately 5,000 workers. These are made up of Mexican Nationals, Navajo Indians and migratory workers. The medical expense for the Indians and Mexican Nationals is borne by the Agricultural Workers Health and Medical Association. These workers are most important to our farmers and without them much of our land would have to remain idle or be diverted to crops which require little labor. These latter crops are not especially needed during the current food shortage. The Society members are thus very willing to have this additional burden. At times, however, it is quite trying because of the language difficulties.

EMERY LEIVERS,
Secretary.

Yuba-Sutter-Colusa Medical Society

Nine regular meetings were held in 1944, on the second Wednesday of each month at the Marysville Hotel. No meetings were held in July, August, and September.

Dr. Russel Frantz served as program chairman and several excellent programs were given including a talk on Allergy by Col. Berkhoof of Camp Beale. The meetings were open to medical officers of Camp Beale.

The roster of active members—now 17 members—12 members are in the armed forces. Two new members were added during the year. Dr. T. F. Keyes, Surgeon of Marysville Clinic, and Dr. P. J. Cress, who succeeded Dr. E. E. Gray.

Death took Dr. G. W. Stratton, who had practiced fifty years in the locality.

T. F. KEYES,
Secretary.

NINTH DISTRICT

Del Norte, Humboldt, Lake, Marin, Mendocino, Napa, Siskiyou, Solano, Sonoma, and Trinity Counties.

John W. Green, Vallejo, Councilor.

Humboldt County Medical Society

For the year 1944 the Humboldt County Medical Society had a paid up membership of twenty-five. One of our members, Dr. Lane Falk, moved to Modesto and Dr. Eugene V. Falk of Modesto returned to Eureka. Dr. Jacob Reicher of New York City is also establishing a practice in Eureka, and Dr. Wayne McKee opened an office for the general practice of medicine in Ferndale. Outside speakers were obtained by President Carl Wallace for five meetings during the year.

The older doctors have been burdened with an unusual amount of work because of the increased industrial activity at a time when so many of the young physicians are in the armed services.

The Humboldt County Medical Society recommended the employment of a full time health officer for this county but political and legal complications have so far prevented any action.

California Physicians' Service sent in a sales force and a large number of groups are now covered for medical and surgical service under this splendid voluntary plan.

J. S. WOOLFORD,
Secretary.

Marin County Medical Society

The Marin County Medical Society had a most satisfactory year in 1944. The present number of members is 34. One member retired because of ill health and two new members were accepted, one from the military service. The other a new member. Of the 19 members in the Services, two have been transferred to other societies, the 17 are carried as active members. There have been no deaths in our society in the past year. Eight regular monthly meetings were held with the average attendance of 18 (several members did not appear more than once which brought down the average attendance). The programs were interesting and worthwhile; a healthy coöperation continues to exist.

The Doctors have been very busy but have complained very little. The nursing situation in the County has gradually become worse. At present nurses are at a premium and there is no prospect of any improvement in the future. The two hospitals in the County have done a good job. They are always willing to coöperate.

Obstetrical situation has been well taken care of, even if it has been necessary to sometimes send the new mothers home on the third day.

CARL W. CLARK,
Secretary.

Mendocino-Lake Counties Medical Society

During the year 1944, there were 18 members in the Society in addition to 10 members who are in the armed forces. Our meetings were held at three month intervals. The last two meetings dealt largely with the discussion of the compulsory health bills before the Legislature.

Mr. Louis LaGrave, representative from the home office, was the speaker at our last meeting and gave us much needed information regarding the future practice of California Physicians' Service.

DALE E. BARBER,
Secretary.

Napa County Medical Society

It was rather difficult to hold regular meetings of the Napa County Medical Society during the year of 1944 due to the press of professional duties on the part of the medical men left in Napa County. However, meetings were held almost monthly with our membership of thirty-two. We had our usual Annual meeting at the Napa State Hospital and Veterans Home with large attendance and interesting and instructive programs. Several of our meetings consisted of reports from various groups relative to the State Health Bill with good discussions. We have many men from our Society now serving in the Armed Services and it is with regret that we are not able to list them and their whereabouts in this issue, however, our record regarding them is inaccurate due to the constant changes of addresses.

Our present officers for the year 1945 are: President, Charles Caulkins, of Imola; Vice President, Orville Kirkle, of Napa; Secretary and Treasurer, M. M. Booth, of St. Helena; Delegate, Dwight H. Murray, of Napa; and Alternate, R. C. Burkett, of Napa.

Our next monthly meeting is to be held at the Plaza Hotel, in Napa, April 4th, with our guest speaker, H. Claire Shephardson, of San Francisco.

M. M. BOOTH,
Secretary.

Siskiyou County Medical Society

The membership of our County Society is now only ten, with one new application under consideration. We are widely spread out in the State's second largest county and it is increasingly difficult to assemble for regular meetings.

Nevertheless, we country physicians have the double advantage of being very close to each other professionally

and in our efforts in achieving the highest possible standards for medical practice; and of being close to our patients, who, we feel it is not presumptive to report, are in a very high percentage favorably inclined in our behalf.

F. W. MARTIN,
Secretary.

Solano County Medical Society

A review of the activities of this Society for 1944 follows:

On January 11, 1944, Dr. Seymour M. Farber of the University of California addressed the group on "Atypical Pneumonia." He illustrated his subject by showing many interesting x-ray films. It was an excellent meeting.

Upon the request of members of the Board of Trustees of the Vallejo Community Hospital, which contemplates opening for reception of patients in March, Dr. H. Randall Madeley was chosen Chairman of the Staff for the first year of operation.

The second meeting of the year occurred on February 8, 1944, at the Astor House and following an excellent dinner, Dr. Kessler (Capt. Medical Corps, U.S.N.R.), of Mare Island Hospital, addressed the Society on "Amputations of the Extremities." Dr. Kessler received much applause and commendation for his presentation. C.P.S. was invited by the Society to sell its surgical contract in the Vallejo area.

The March meeting was delayed until March 29, 1944, and was held at Vallejo Community Hospital. The business of the evening consisted of a review and adoption of a constitution and by-laws, and selection of the Chairmen of the various services of the Hospital.

On April 11, 1944, members of the Society were addressed by Dr. Clifford Swett, Dr. Albert Rowe and Dr. Helen Johnson. The professional program was preceded by a dinner at the Astor House. The meeting was well attended. Dr. Rowe spoke on "Abdominal Allergy." Dr. Johnson discussed "Abdominal Pain in Rheumatic Fever," and Dr. Swett carried on with "Differential Diagnosis of Abdominal Disease in Children." The sum of \$1,000.00 was voted by the Society to establish a County Medical Society Library to be placed in the Vallejo Community Hospital. A file of letters concerning the history of attaining the Vallejo Community Hospital was turned over to the Secretary. This may be interesting in future years.

One June 13, 1944, following a dinner at New Tiny's, Dr. Rosenbloom addressed the group on "Rheumatic Fever." The dinner was not so good, but the professional program was excellent. This meeting was well attended.

There was no meeting in July, but on August 8, 1944, Dr. William K. Livingston, U.S.N., spoke on "Injuries to Peripheral Nerves" at the Board Room of Vallejo Community Hospital. C.P.S. reported that Surgical contracts had been sold in Vallejo and at Benicia Arsenal.

On September 12, 1944, Dr. Hub Isaacs (M.C.) U.S.N.R., Mare Island Hospital, spoke on "Plastic Reconstruction of the Ureter." California Physicians' Service reported that there was a steady decline in beneficiary memberships.

The October meeting, on the evening of the 10th, was addressed by Dr. Gerald O'Connor (Lt. Com. U.S.N.R.) stationed at Mare Island Hospital. His subject was "Immediate Treatment of Acute Injuries." His presentation was highly commended. A movie was shown illustrating the making of an artificial thumb.

In November the annual election of officers resulted in selection of Dr. H. Randall Madeley to succeed himself as President. Felix Rossi, Fairfield, Calif., Vice President. Secretary-Treasurer, John W. Green. Delegate to C.M.A. House of Delegates, Dr. H. Randall Madeley. Alternate, Dr. F. Burton Jones.

The annual Christmas party was not held. In previous years a Josh motive was carried out and it has not been customary to have a professional program.

Membership in the Society has been increased by three physicians coming in from other County Societies. No deaths during the year. Dr. Dempsey and Dr. Petersen have recovered from severe illness. Two physicians left C.P.S. and opened offices for private practice in Vallejo.

JOHN W. GREEN,
Secretary.

Sonoma County Medical Society

The membership of the Sonoma County Medical Society is 75 at the present time. Two new members were added to the roster during the year. There are now 20 members in the Armed Services. There have been no resignations or transfers, nor were there any deaths.

The meetings have been held the second Thursday of

each month, at which time various medical and surgical subjects were presented by guest speakers. One special meeting, on March 25, 1944, was a closed meeting, during which we heard Mr. Ebersole speak on the subject of the recent Foote, Cone and Belding Survey.

This Society was host at a joint meeting of the Sonoma, Marin, Napa, Solano, Mendocino, Humboldt, and Lake County Societies, held at Guerneville, October 12, 1944. The dinner and evening meeting was preceded by a golf tournament. The speakers of the evening were Dr. Green, of Vallejo, Councilor for this area, Dr. Dwight Murray, Chairman of the Legislative Committee of C.M.A., and Mr. W. Glen Ebersole.

During this past year we have initiated the practice of issuing a bulletin which contains an outline of the guest speaker's talk, and also contains a résumé of the business transacted.

ROBERT S. QUINN,
Secretary.

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Association of American Physicians and Surgeons*

(COPY)

Gary, Indiana, 504 Broadway, November 17, 1944
Dear Doctor:

This is a call for action to prevent the imminent regimentation of medicine.

The 1944 elections have swept away every hope that the free and private practice of medicine will not be replaced by a system of state medicine unless physicians take immediate action to prevent that national catastrophe.

The author of the American system of political medicine, Senator Wagner, has been reelected. The Political Action Committee of the CIO, which demands socialized medicine, has been so successful that it has become tremendously powerful—certainly powerful enough to translate its program of state medicine into legislation. Medical care is next on the calendar of the congressional

* The letter printed above is given place in CALIFORNIA AND WESTERN MEDICINE because some of the statements contained therein are worthy of consideration; as were also the Northern California Union Health Committee "News Letter," which appeared in the November issue of CALIFORNIA AND WESTERN MEDICINE, on page 261.

majority that believes it was elected because of its social "achievements."

It is now later than you think!

The Association of American Physicians and Surgeons was organized in 1943 to meet this grave emergency. Its members contract and agree with each other that they will not participate in schemes for the distribution of their services that are considered by the Association to be inimical to the public health. Therefore, when a majority of physicians become members of the AAPS, there can be no regimentation of medicine. . . .

SIMPLE LOGIC

Reduced to the simplest syllogistic form, the AAPS reasoning is as follows:

State medicine is a system that operates to distribute medical care;

Medical care cannot be distributed without the participation of physicians;

Therefore a system of state medicine cannot operate without the participation of physicians.

The courts have always upheld the right of an organization of individuals to do whatever an individual may lawfully do. Even the Wagner-Murray-Dingell Bill respects the right of the individual physician to refuse participation in its scheme for state medicine. It makes provision only for our voluntary participation. Hence:

An individual physician may lawfully refuse to participate in a system of state medicine;

An organized group may lawfully do anything an individual may lawfully do;

Therefore physicians as an organized group may lawfully refuse to participate in systems of state medicine.

And test this:

Systems of state medicine require more medical service and therefore more physicians than systems of private practice;

There are not more than enough physicians to supply the services required under the present system of private practice;

Therefore a system of state medicine would require the participation of at least a substantial majority of physicians.

Final conclusion, based upon the above conclusions:

Physicians may lawfully organize to refuse participation in systems of state medicine, which cannot operate without the participation of at least a majority of physicians;

The AAPS is an organization of physicians who contract and agree not to participate in systems of state medicine;

Therefore when a majority of the physicians of the nation become members of the AAPS, systems of state medicine cannot be operated.

Act Now

Act Now! This may be your last chance. The AAPS is the only tangible, positive defense you have against a bureaucratic control of your patients and your own professional life. If you agree in principle with the purposes of the Association, join now and vote later to change minor details with which you may disagree. Remember that you will have no vote in a system of political medicine.

We recommend:

1. That you sign the enclosed application blank and mail it with your check at once. We need both your membership and your money.

2. That you write for additional application blanks and enlist the support of your colleagues. Don't hand the blanks to them to sign and mail, but get the signatures and their checks and mail them to you yourself.

3. That you come to the headquarters office and investigate the organization yourself, as others have done, so that you may report accurately to your colleagues.

4. That you organize a meeting of your county or district society and invite a representative of the AAPS to discuss the Association with you.

5. *That you act now, immediately, before it is too late.*

LITERATURE

New literature regarding the Association of American Physicians and Surgeons is being rushed to the printer. Decisions reached at the annual meeting in August and the modification of the controversial "75 Per Cent Rule" are included and will be sent to you upon request, if it is not then too late. If you have misplaced your copy of the *News* of the Association, which contained the Articles of Incorporation and By-laws, others are available and will be sent to you.

A. J. SULLIVAN, M.D., *President*,
H. W. DETRICK, M.D., *Secretary*,
Association of American
Physicians and Surgeons.

Remember! The first successful regimentation of any group means the end of free government.

* * *

QUESTIONS MOST FREQUENTLY ASKED ABOUT THE AAPS:

Who is behind it? It was organized by the members of the Lake County Medical Society (Indiana). It now has members in every state in the Union. Only members of county medical societies are eligible for membership. Its present officers are Dr. A. J. Sullivan, President (Secretary, Englewood Branch, Chicago Medical Society); Dr. H. T. Low, Pueblo, Colorado, President-elect (Secretary, South Central Section, American Urological Association); Dr. H. W. Detrick, Hammond, Indiana, Secretary (Past-President Lake County Medical Society); Dr. Walter S. Fisher, Columbus, Indiana.

* * *

Is the premise, that doctors may organize to refuse participation in system of state medicine, legally sound? How about the "restraint of trade case?" Our legal counsel, who is well known to the American Bar and is a past-president of the Indiana State Bar Association, assures us that there can be no question regarding the right of individuals to organize for the purpose of refusing to participate in any kind of program. Medical societies throughout the country have been asked to submit his opinions to their own legal counsel, and there have been no disagreements.

* * *

Is the AAPS a "doctors' union"? The comparison of the AAPS with labor unions is a fraud perpetrated by its opponents. Labor unions use the strike against their employers to gain their objectives; the employer of the physician is his patient, against whom he will never "strike." The AAPS refuses to consent to being taken over by a new employer—a federal bureau—by which the physician is not now employed, so how could he strike against it?

* * *

Is the AAPS in opposition to or in competition with the AMA? The AAPS was founded by loyal members of the American Medical Association, and admits in membership only physicians who are members of their county medical societies. Members of county medical societies are automatically members of the AMA so that, in effect, only members of the AMA are members of the AAPS. It is inconceivable that members of the AAPS could compete with or oppose themselves as members of the AMA. Further tangible proof of the intention of the members of the AAPS to supplement and not to compete with the work of the AMA was given at the Annual Meeting of the AAPS, when it withdrew action upon certain of its objectives in legislation, public relations and medical economics that had recently been added to the program of the AMA.

COMMITTEE ON HEALTH AND PUBLIC INSTRUCTION

New Drugs Hold Powerful Promise Conference Calls Them Venereal "Sure Cure"

Frank Carey, Associated Press Science Writer,
in San Francisco *Chronicle*

What has been called a "sure cure" for all cases of gonorrhea is believed to be in hand, along with an apparently positive and quick cure for 90 per cent of early syphilis cases, Dr. J. R. Heller, Jr. of the U. S. Public Health Service, said recently.

This, he said, is the conclusion of an international conference on venereal disease "whose closing yesterday marked the opening of the final chapter in the eradication of syphilis and gonorrhea in this country."

(More than 5,000,000 cases of gonorrhea occur annually in the United States, and 230,000 cases of syphilis.)

Heller, chief of U.S.P.H.S.' Venereal Disease Division, hailed the conference as "historic" in the centuries-old fight against the two diseases.

"For it brought together," he said, "the largest number of venereal disease experts ever assembled at a time when they could give first comprehensive appraisal to recent results obtained with new methods of treatment, including penicillin alone for both diseases and other 'rapid treatment' methods against syphilis.

"The indications from the pooled data are that when penicillin becomes freely available, the private physician will have in his hands a sure cure for gonorrhea.

"And the further evidence is that through the availability of penicillin and other 'rapid treatments' at 63 special centers now in operation, we have the means for the apparent cure of about 90 per cent of early syphilis cases and of rendering the rest incapable of infecting other persons."

And he said these rapid treatments for syphilis are "effective within a few days instead of 18 months as heretofore under older methods." The doctor said strains of both diseases entirely resistant to penicillin might yet appear, but they haven't yet.

Heller declared that while the conference had shown that science now is armed with effective treatment methods, it had spotlighted the need for finding existing cases and eliminating promiscuous sexual relations if the two diseases are finally to be eliminated.

"Up to now," he said, "the medical profession in general and the public health service in particular have taken the view that venereal disease is primarily a medical affair and that we should not go into the moral aspects of it, at least in our rôle as doctors.

"But it is the stand of this conference that we must recognize promiscuity as a major factor in the spread of the diseases and we as doctors must take the initiative to keep that factor ever before the character-building agencies, such as the home, the church and the school."

The conference, attended by representatives of various nations, also emphasized the necessity for closer coordination on the international front of venereal disease—particularly with reference to the protection of merchant seamen and other nationals traveling from country to country.—San Francisco *Chronicle*.

The Treatment and Prevention of Diphtheria

According to George M. Uhl, M.D., Health Officer, the incidence of diphtheria in the City of Los Angeles continues at a high level. During the entire year of 1944, there were 261 cases and 21 deaths.

Over half of the deaths from diphtheria occur in

preschool age children. Diphtheria may be prevented in children by the administration of diphtheria toxoid. When the disease occurs, death may be prevented by early diagnosis and early institution of antitoxin therapy. The Los Angeles City Health Department further believes that all cases of diphtheria should be hospitalized.

During the past year, the Los Angeles City Health Department has doubled its number of immunizations against diphtheria, and at the present time is conducting a widespread campaign to publicize the importance of immunization. The Health Department calls upon all physicians in Los Angeles to coöperate in an effort to stamp out this dread disease. Physicians are asked to:

1. Make positive effort to immunize all children in their practice under 10 years of age;

2. Do not temporize with the diagnosis of diphtheria. Be sure! If diphtheria is suspected, either (a) send the patient immediately to the Los Angeles County Hospital, Communicable Disease Unit, for further study or (b) give adequate antitoxin immediately. Don't wait for culture report. It may be too late.

Tuberculosis Reporting

The Director of the California Department of Public Health, Dr. Wilton L. Halverson, has sent the letter which follows:

(COPY)

George H. Kress, M.D.,
Editor, CALIFORNIA AND WESTERN MEDICINE.
Dear Doctor Kress:

Attached is a statement regarding the reporting of communicable disease, especially tuberculosis, which you may wish to run in the *Journal*. Reporting of various communicable diseases in California, as you well know, is gradually growing better, but at best tuberculosis is not completely reported in any section of the State.

To eradicate a disease such as tuberculosis, it is essential to know the current incidence of the disease and to know what happened in the past. Additional Federal funds are being made available for the purpose of the "eradication" of tuberculosis and it should be possible to improve our program materially.

Very sincerely yours,
WILTON L. HALVERSON, M.D.,
Director of Public Health,
State of California.

TUBERCULOSIS REPORTING

During the present time when the busy practitioner is working under high pressure there may be a tendency to neglect the routine of reporting of communicable diseases. It is because of this fact that I write this report—making a plea for the continued coöperation of all physicians in reporting such diseases.

One of the first essentials in preventing the spread of communicable diseases is the notification of cases. It is an established public health procedure. Reporting in California on the whole is excellent, but I should like to point out that it is by no means perfect.

If we inspect a compilation of data taken from tuberculosis cases reported among civilians since January 1, 1941—we find that of the 22,806 cases reported, 2,141 cases were reported only at death. That is, 9.4 per cent died of tuberculosis without having ever been officially reported as tuberculosis cases during their illness. By years these data are as follows:

- 1941—684 cases or 9.4 per cent reported only after death.
 1942—692 cases or 9.1 per cent reported only after death.
 1943—765 cases or 9.7 per cent reported only after death.

In localities where public health facilities are at a minimum, the data are even less favorable. Taking the period January-September, 1943, we analyzed the tuberculosis deaths from 30 such counties and found:

6 counties with no deaths.

24 counties with 283 deaths.

Of the 283 deaths, 94 or 33.2 per cent had never been reported as cases before death.

Considering the 22,806 cases of tuberculosis from the standpoint of status of infection at the time of first being reported, we find that:

20.2 per cent were classified as minimal.

34.0 per cent were classified as mod. advanced.

43.3 per cent were classified as far advanced.

2.5 per cent were classified as other stages.

Apparently at least one-half of all tuberculosis cases have reached the stage where they are a great menace to their families and the general public before being recognized or reported as cases. It is evident that they have been found too late to prevent them acting as foci of infection.

When we consider the reporting agency we find that 6,894 cases or 30.2 per cent of all reported cases were submitted by private physicians and private hospitals, while 15,912 or 69.8 per cent of all reports were from public sources—such as clinics, county hospitals, Coroners, Federal and State agencies.

Inasmuch as tuberculosis is a disease seriously affecting the economic status of the individual, it would be expected that private physicians would be more likely to see the early type of its lesions and therefore, report more such lesions than public institutions. However, the reporting is as follows:

Stage	Reported by private agencies		Reported by public agencies	
	No. cases	%	No. cases	%
Minimal	955	13.8	2,876	18.1
Mod. Adv.	2,262	32.8	4,191	26.3
Far Adv.	2,138	31.0	6,088	38.3
Other Stages ..	121	1.8	346	2.2
Not stated	1,418	20.6	2,411	15.1
TOTAL ..	6,894	100.	15,912	100.

Thus, of the 6,894 cases reported by the physicians and private hospitals, only 955 or 13.8 per cent were minimal. On the other hand, of the total minimal cases (3,831) reported by all agencies, the 955 reported by these private agencies represented $\frac{1}{4}$ of the group.

Stage	Reported by private agencies		Total cases reported	
	No. cases	%	No. cases	%
Minimal	955	24.9	3,381	100
Mod. Adv.	2,262	35.0	6,453	100
Far Adv.	2,138	26.0	8,226	100
Other Stages ..	121	25.9	467	100
Not stated	1,418	37.0	3,829	100
	6,894		22,806	

Regardless of the source of reporting it is obvious that if we expect to lower the tuberculosis rate appreciably, more emphasis must be placed on early recognition of the disease before the case has had a chance to become an active focus of infection to others.

There are nationally accepted standards against which we can measure the completeness of reporting. One of these is the ratio of new cases reported, to the annual

average of deaths over a 5-year period. In tuberculosis, a good ratio is 3 to 4 new cases to one death.

1941 — Ratio = 1.83

1942 — Ratio = 1.97

1943 — Ratio = 2.06

Any conclusions made on the behavior of tuberculosis in California over a period of years will be only as accurate as the records received. If more reports are submitted at the time of the initial diagnosis we will then know whether early diagnosis and tuberculosis case work are being properly evaluated.

The same may be said of venereal diseases and the other reportable diseases—our knowledge of the effectiveness of present day control methods can only be determined when case reporting is adequate.

The California Department of Public Health aims to serve as a clearing house on communicable disease data. Requests from physicians for compilations always receive prompt attention.

668 Phelan Building, San Francisco 2.

Rabies in California

The present rabies situation in California calls for extreme alertness on the part of all local health officers. The death, about the middle of September, of a three and a half year old child, who had been bitten by a rabid dog in Albany, in Alameda County, focuses the attention of all health officers upon the need for the adoption of preventive measures and for the exercise of rigid control over dogs and cats in those communities where rabies is known to be present. During the past year the disease has been found in Kern, Imperial, Tulare, Kings, Fresno, Los Angeles, Monterey, Napa, Contra Costa, Riverside, Sacramento, San Bernardino, San Diego, San Luis Obispo, Santa Cruz, Solano, Sonoma, Stanislaus, and Alameda counties.

The latest area to be visited by this disastrous disease in dogs is the east shore of San Francisco Bay, particularly in Berkeley, Albany, El Cerrito, Richmond and Crockett.

The first recorded presence of rabies in California was in Pasadena in 1899.

Since 1899, no less than 19,926 cases of animal rabies have been recorded in the State. By years, they are as follows:

Year	Number	Year	Number
1899	No record	1927	376
1909	No record	1928	791
1910	18	1929	787
1911	66	1930	929
1912	244	1931	800
1913	327	1932	508
1914	212	1933	681
1915	63	1934	1,035
1916	196	1935	926
1917	41	1936	1,052
1918	29	1937	2,172
1919	73	1938	1,730
1920	176	1939	899
1921	124	1940	396
1922	566	1941	440
1923	1,092	1942	531
1924	500	1943	740
1925	353	1944 (to Septem-	
1926	375	ber 1)	678

During the same period 100 human deaths from rabies have occurred in the State.

Measles and smallpox are said to have made their first appearance in 621.

The first description of elephantiasis is credited to Straton of Lampsacoo (280 B. C.).